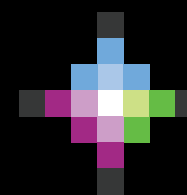


The Art of Transformation

Folding a Sustainable Future



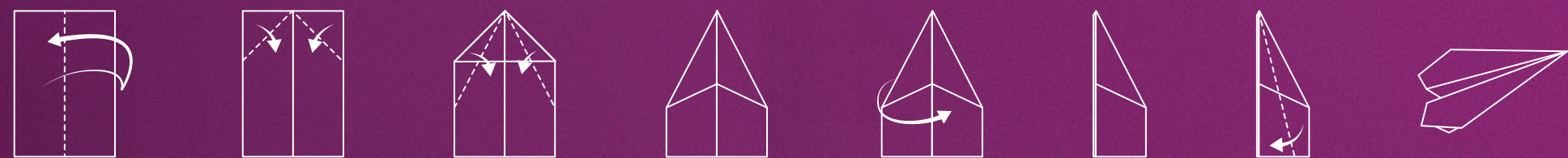
volaris



2024 Integrated Annual Report

In a constantly changing world, the key is adaptation. This year, we've proven that, as a team, we are capable of overcoming challenges, quick to transform, flexible when facing the unexpected, and resilient enough to keep **folding the future we envision.**

Every day, we strive to be a sustainable Company focused on ensuring business continuity with a holistic perspective: balancing efficiency, innovation, and commitment to keep creating value over time. **Today, we look back with pride and forward with the certainty that we are stronger.**



Just like a piece of paper can be folded into countless forms, our ability to adapt and reinvent ourselves allows us to face every challenge. With each fold, something new takes shape. At Volaris, every decision brings us closer to a sustainable future full of possibilities.

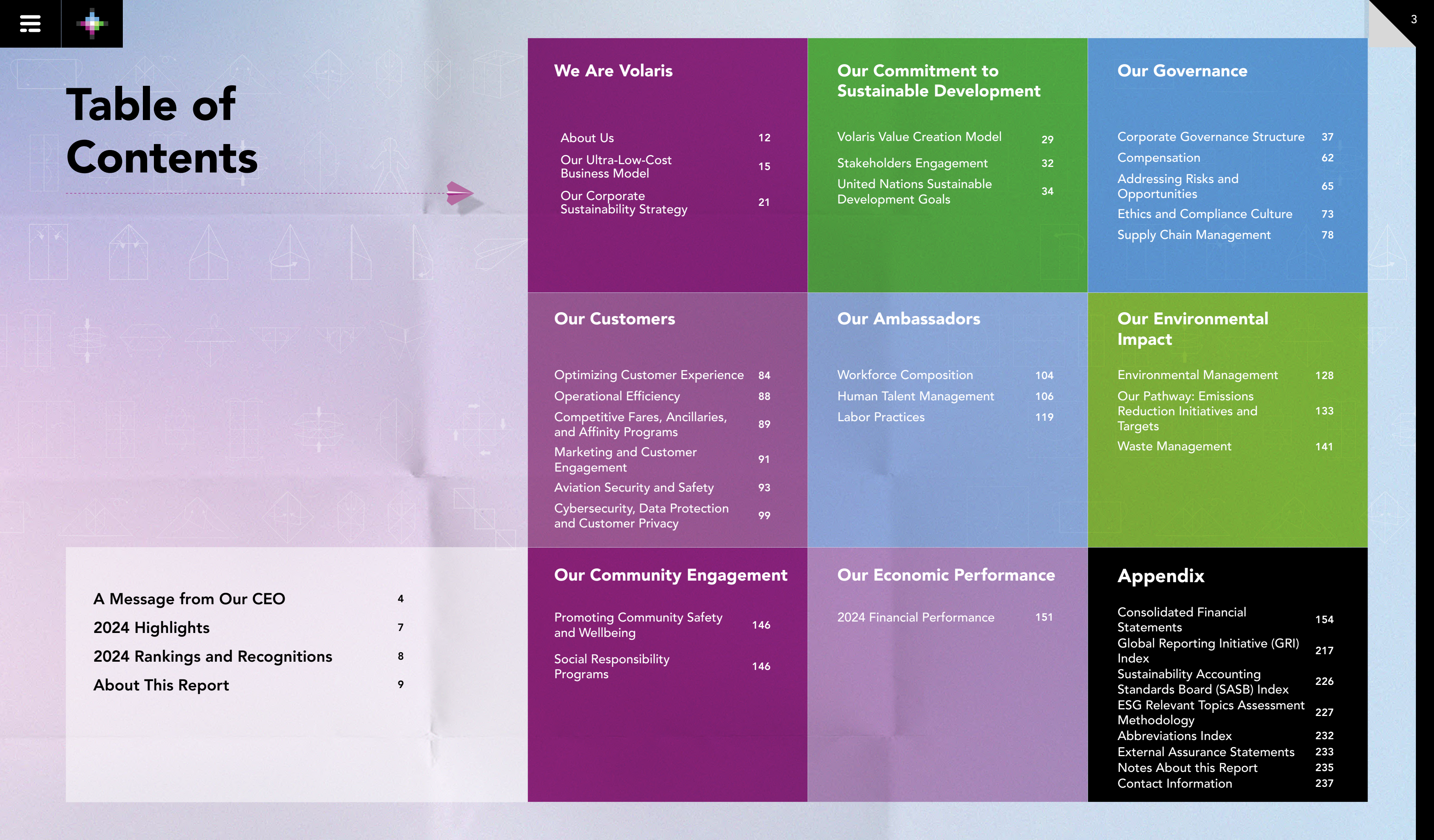
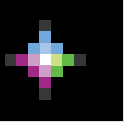


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A Message from Our CEO

A year defined by resilience and execution

On behalf of the entire Volaris Family, I am pleased to present our 2024 Integrated Annual Report.

The year 2024 was remarkable for Volaris. Thanks to the unwavering commitment and hard work of our Ambassadors, and despite facing significant challenges, including Pratt & Whitney's (P&W's) GTF NEO early engine inspections that grounded approximately a quarter of our fleet, we delivered some of the best top and bottom-line results in our history. This year, we generated U.S. \$3.1 billion in revenue, in line with 2023, and served more than 29 million passengers with 13% fewer ASMs. We posted a net profit in each quarter and achieved a full-year EBITDAR margin of 36%. TRASM grew 10% year over year, underscoring the effectiveness of our commercial strategy.

Notably, CASM ex fuel remained under control at U.S. \$5.4 cents, despite the reduced capacity, ranking among the lowest unit costs of publicly traded airlines.

Before reflecting further on how we achieved these results, it is important to look back at how we started the year, facing a mandatory early inspection that would affect more than half of our fleet's engines.

The sudden loss of capacity forced us to face the critical challenges of preserving our reputation as a leading, efficient, and accessible ultra-low-cost carrier, as well as retaining our experienced pilots and mechanics. At the same time, we remained firmly committed to delivering on three core priorities:

- Protecting our customers' service delivery
- Increasing profitability
- Upholding our commitment to schedule integrity

Our 2024 performance is a clear reflection of strength in our business model, disciplined execution, strict cost control, and a successful mitigation plan to navigate these challenges. We have never lost sight of our long-term commitment to driving sustainable shareholder value, while strengthening our position as the preferred airline in most of our core stations.

At the heart of our strategy is a profound purpose: to democratize aviation and make air travel truly accessible to all. For us, flying is not a privilege; it is a catalyst for progress. By connecting people and places that were once isolated, we stimulate local economies, foster regional development, and help small and medium-sized businesses grow. We exist to generate value not only for our customers and investors, but for society, ensuring that air connectivity becomes a real engine of opportunity for the communities we proudly serve.



Fulfilling this commitment meant consistently delivering on the Volaris promise, centered on **customer experience, reliable execution, and sustainability**.

➤ **Customer experience:** We continue to stay true to our value proposition, offering low fares, operating an attractive and reliable schedule, and providing relevant and value-added ancillary options to allow customers to decide in which services they invest in for their travel experience. Ancillaries now account for more than 50% of our total revenues, reflecting steady diversification of our revenue and stronger integration of our ancillary programs, while allowing our customers to choose additional services that satisfy their needs. Our v.pass program has solidified its position as an innovative subscription model, the second implemented in the Americas, and our v.club membership expanded to 1.3 million active members, making it one of the most important affinity programs in the region. All these programs have given our customers choices aimed to fit their flying needs, while remaining an ultra-low-cost carrier airline.

➤ **Reliable execution:** We achieved over 99% scheduled completion and 83.6% on-time performance (within 15 minutes). We also saw a notable improvement in key commercial metrics, including unique buyers, unique travelers, repeat buyers, and an enhanced booking-per-buyer ratio. Overall, we reached a net promoter score of 37.4%, significantly outperforming other U.S. low-cost carriers. **On the safety front, Volaris was ranked among the world's top ten safest low-cost carriers and was the only Latin American carrier on that list,** according to Airlineratings.com.

➤ **Sustainability:** We limited our fuel consumption growth to less than 1.4% in gallons per available seat miles (gal/ASM), one of the lowest in the industry, and reduced our Scope 1 emissions intensity, measured as grams of carbon dioxide emissions per revenue passenger kilometers (gCO₂/RPK), by approximately 20.7% vs 2015, despite operating a greater share of CEO fleet due to the grounding of a significant portion of our fuel-efficient NEO fleet.

We continued to contribute to the sector decarbonization, collaborating in the building of a cost-effective supply of sustainable aviation fuel (SAF), with a focus on promoting production capacity in Mexico. We strengthened our partnership with Airbus for the second consecutive year to support an initiative that promotes the scalable and affordable development and use of SAF. Additionally, we recently signed a Declaration of Intent with the International Civil Aviation Organization (ICAO) and Airbus to conduct a feasibility study on the development and use of SAF in our home country, becoming the first airline to form an alliance of this kind with ICAO. While we strongly advocate for SAF development and use, achieving success in emerging markets such as those in Latin America requires addressing structural challenges, including the absence of subsidies and incentives, limited supply assurance, and a lack of competitive financing sources, among others. Moreover, to comply with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), it is essential for regulatory bodies and relevant stakeholders establish the enabling conditions for its successful implementation.

At the same time, we also take pride in our role as a **positive social driver**, facilitating economic growth and strengthening connections between communities. Approximately 40% of our route network competes only with bus services, stimulating bus-to-air conversion, which remains an essential objective for our long-term growth. Our low fares and flexible affinity programs appeal to both small and medium-sized enterprises seeking cost-effective travel options, as well as to friends and families looking to stay connected. Moreover, we deepened our commitment to **protecting children and adolescents from trafficking for sexual exploitation**. As the first airline in Mexico to lead an industry-wide response to this crime, we launched our **"Ojos en el Cielo"** communication campaign to raise awareness and empower our customers and crew to speak up when a child's safety or rights might be at risk. This initiative not only strengthened our partnerships with key allies but also enhanced our ability to protect the most vulnerable, reminding us that every journey we operate is an opportunity to watch over childhood from the skies.



Ojos en el Cielo,
Alejandro López, 2024,
oil on canvas.

The Path Forward

As we navigate the ongoing market and supply chain complexities, our focus is on harmonizing **four critical areas** which will enable us to uphold our commitment to creating the best customer experience and maximizing return on investment for shareholders:

- 1 Balancing engine removals, inspections, and engine returns:** We successfully completed our 2024 early inspection of P&W's GTF NEO engines. Looking ahead, we expect the ongoing revisions to continue to affect our fleet for at least the next 2 years. We are proactively managing maintenance schedules to ensure that engine inspections and overhauls are carefully coordinated.
- 2 Managing new aircraft arrivals from Airbus and optimizing aircraft returns and lease extensions:** We have revised our delivery schedule agreement to strategically stagger aircraft arrivals through 2031, allowing for integration without overextending

capacity. This revised schedule also enables thorough market analysis to determine the optimal number of aircraft returns and lease extensions. Capacity decisions will remain anchored in customer demand and sustained profitability.

- 3 Launching a unified affinity portfolio:** To drive greater ancillary penetration and deliver more value to our customers, we will bundle our four core ancillary products – Annual Pass, v.pass, v.club, and our co-branded credit card – into a single offering. This unified portfolio could reinforce our position as a leader among value-seeking travelers, including frequent flyers, small and medium businesses, in addition to our strong Visiting Friends and Relatives (VFR) market and leisure base. At the same time, we are upgrading YaVas, our dedicated vacations platform, to broaden its appeal to higher-yield passengers.

- 4 Maintaining cost discipline:** Cost control is what enables us to deliver on our purpose of making air travel truly accessible through low base fares. We are proud to be one of the lowest-cost carriers in the world. To preserve our leadership, we remain committed to making cost decisions with a long-term perspective. This disciplined approach ensures we can continue offering affordable travel while maintaining a resilient and profitable business.

As I look into the future, I am driven by the determination to succeed. While we rely on manufacturers to help us meet our environmental goals, millions of people count on Volaris to improve their connectivity and economic opportunities.

At the start of this new phase, **we remain focused on reducing our environmental impact, while supporting communities, driving development, and helping small businesses grow through our extended network connectivity.** I believe this balance between minimizing our environmental impact and expanding access wherever financially feasible is key for driving progress.

Without a doubt, 2024 was a challenging, yet rewarding year. I want to thank the entire Volaris Family for what we have accomplished, and for laying the foundation for what comes next. Thanks to these efforts, I believe we are in a position to keep growing, reaching more communities, and upholding our sustainability aspirations.

I'm deeply aware of the important decisions we face as an airline. We will stay disciplined, resilient, and focused on generating long-term value. We are doing hard work now so we can face the future with confidence.

**We are laying the foundation to become the leading Ultra-Low-Cost Carrier in the Americas.
We are ready for the next chapter, one of growth, opportunity, and transformation, with our sights firmly set on the future we are building together.**


Sincerely,
Enrique J. Beltranena
President and Chief Executive Officer.

2024 Highlights

Environmental Performance



Closing the year with 143 aircraft: **60% was powered by P&W's GTF NEO engines** and **88%** was equipped with sharklets.

Reduced our gCO₂/RPK Scope 1 aircraft CO₂ emissions intensity by **20.7%¹**.

69.8 million gallons of fuel saved².

Obtained **ISO 14001** certification for some environmental processes and programs³.

Economic & Governance Performance



- Mexico's **leading airline** by total passengers transported.
- **Largest carrier** in the U.S.-Mexico market by capacity.

- **18** new routes and **two** new destinations¹¹.
- **~40%** of routes compete exclusively with bus services.
- New codeshare with **Iberia**.

Participated in the second edition (2024–2025) of the **"Sustainable Aviation Fuels Mexico"** contest by **Airbus** to foster the development and use of scalable and affordable SAF in Mexico.

Launched our **VOlconsciente** campaign designed to promote an environmental awareness culture.

No significant sanctions or fines related to non-compliance with environmental regulation⁴.

- Total operating revenues of **U.S. \$3.1 billion**.
- Ancillaries accounted for **over 50% of total operating revenues**.

TRASM¹² increased 10% vs the prior year to U.S. \$9.2 cents.

CASM¹³ ex fuel of U.S. \$5.4 cents, positioning us among the **lowest-cost carriers worldwide**.

Social Performance



Top 10 safest low-cost airlines, according to AirlineRatings.com.

- **Zero** aviation accidents or passenger fatalities.

Volaris Family: **6,901 Ambassadors**; 45% women and 55% men.

More than 29 million passengers transported, enabling affordable air travel and driving positive social and economic impact in our communities.

- Strengthened customer preference, with an **NPS⁵ of 37.4%**, an increase of **6.6pp** vs 2023.
- **Lowest number of complaints among Mexican airlines**, according to the PROFECO Commercial Bureau.

Delivered net profit in every quarter, with a **36% full-year EBITDAR** margin.

- Our Board of Directors is composed of:
- **15% women¹⁴** and **85% men**.
 - **69%** independent Directors¹⁵.

Operational excellence for our customers: **99.2% schedule completion** and **83.6% OTP+15⁶**.

- Our affinity programs:
- **68% YoY growth** in customers selection of the Annual Pass.
 - **37% YoY increase** in v.club⁷ members.

Launched the **new Volaris mobile app⁸**, enhancing self-service, personalization, and convenience for our customers.

Supported over 21,000 families in emergency situations through our *Avión Ayuda Volaris* program⁹.

Our *Ojos en el Cielo* communication campaign to help prevent human trafficking in air travel received a nomination for the **Caracol de Plata award¹⁰** from the Mexican Center for Philanthropy (CEMEFI).

Joined the **United Nations Global Compact¹⁶** to align operations with universal principles on human rights, labor, the environment, and anti-corruption.

5th consecutive year, as a member of the **Dow Jones Best-in-Class Mila Pacific Alliance Index**, recognizing our performance on ESG matters.

¹ From a 2015 baseline. Scope 1 aircraft CO₂ emissions intensity (gCO₂/RPK) includes flight operations and ground operations (use of APU).

² Using New Engine Option (NEO) engines in 2024 vs. 2015.

³ For more information about these processes and programs, please see Our Environmental Impact chapter.

⁴ Volaris has applied a threshold of U.S.\$14 million to determine the significance of such issues for sustainability reporting purposes.

⁵ Net Promoter Score: measures customer loyalty by asking how willing they are to recommend us, helping assess overall satisfaction.

⁶ On Time Performance + 15: is a metric to reflect punctuality understood as the percentage of flights that departed or arrived within 15 minutes of their scheduled time.

⁷ v.club membership is one of our affinity programs, designed to deepen customer relationships by offering exclusive fares, promotions, and personalized benefits.

⁸ The Volaris 2.0 app was launched in early 2025.

⁹ Direct and indirect beneficiaries.

¹⁰ *Caracol de Plata* award is an Ibero-American recognition that honors creative and impactful communication campaigns with social benefit.

¹¹ Includes only operated routes and destinations.

¹² Total Revenue per Available Seat Mile: is a metric that measures the total revenue an airline earns for every seat it offers, per mile flown.

¹³ Cost per Available Seat Mile: is a unit cost metric that divides an airline's operating expenses by the total available seat miles (ASM).

¹⁴ As of April 28, 2025, the Board is comprised of 13 members, of whom two are women and 11 men.

¹⁵ As of April 28, 2025, the Board is comprised of 13 members, of whom nine are independent.

¹⁶ Volaris became a participant in February 2025.

2024 Rankings and Recognitions

S&P Dow Jones Indices

A Division of **S&P Global**

Equity
DOW JONES BEST-IN-CLASS MILA
PACIFIC ALLIANCE INDEX (MXN)

Included for **the 5th consecutive year in the Dow Jones Best-in-Class MILA Pacific Alliance Index**, one of only eight airlines worldwide and the only low-cost carrier to be recognized, and one of just two airlines from Latin America featured in the Index.

MSCI
ESG RATINGS



Received an **"A" rating by MSCI ESG Ratings**, reflecting our progress in integrating environmental, social, and governance (ESG) factors into our business strategy. MSCI evaluates public companies based on their exposure to material ESG issues, benchmarking them against industry peers.



Included as a **United Nations Global Compact participant¹⁷** to align strategies and operations with universal principles on human rights, labor, the environment, and anti-corruption practices.



Recognized for the **third year in a row as one of the world's top 10 safest low-cost airlines by AirlineRatings.com**, a leading safety and product rating website, and the only Latin American carrier in that ranking.



Ranked 4th globally and 1st in Latin America in Cirium's 2024 Airline Carbon Efficiency Ranking, which evaluates CO₂ emissions per available seat kilometer across more than 100 airlines worldwide.



EMPRESA SOCIALMENTE RESPONSABLE®

Received for the **15th year the Socially Responsible Company Distinction from the Mexican Center for Philanthropy (CEMEFI)**, which recognizes companies that are voluntarily and publicly committed to corporate social responsibility in their business culture and strategy.



Acknowledged for the **11th year by ECPAT International - The Code** for our commitment against the trafficking of children and adolescents for commercial sexual exploitation purposes.



Received an **"A+" rating from the Better Business Bureau (BBB)**, the **highest possible score on a 100-point scale**. This recognition reflects our strong performance in customer service, transparency, and complaint resolution as evaluated by one of the most trusted consumer protection organizations in North America.

¹⁷ Volaris became a participant in February 2025.

About This Report



Our 2024 Integrated Annual Report (IAR or the Report) is designed to provide a summary of our business strategy, performance, and outlook as they relate to Volaris' financial and non-financial (Environmental, Social, and Governance (ESG) performance).



Reporting Approach

GRI 2-2,
2-3, 2-4,
2-5, 2-14

The IAR has been prepared in accordance with the Global Reporting Initiative's (GRI) Universal Standards 2021 and incorporates certain disclosures based on the Sustainability Accounting Standards Board (SASB) for the airline industry. Throughout the Report, we also have identified and referenced the United Nations Sustainable Development Goals (UN SDGs) that we believe are supported by our business activities. For ease of reference, we specify the GRI and SASB codes applicable to each section of the Report, while full reporting indexes are in the Appendix.

Additionally, the Report is written with reference to the Integrated Reporting (<IR>) Framework¹⁸. As part of this approach, we outline the six types of capital through which we drive business growth and transformation: Financial, Intellectual, Social and Relationship, Manufactured¹⁹, Human, and Natural.

In June 2023, the International Sustainability Standards Board (ISSB) issued its first two sustainability-related disclosure standards:

- IFRS S1 General Requirements for Disclosure of Sustainability-Related Financial Information.
- IFRS S2 Climate-Related Disclosures.

These standards build on existing frameworks and recommendations, including those of the Task Force on Climate-Related Financial Disclosures (TCFD) and the industry-specific SASB standards. They are intended to establish a global baseline for the consistent, comparable, and decision-useful disclosure of sustainability-related risks and opportunities that could reasonably affect an entity's enterprise value.

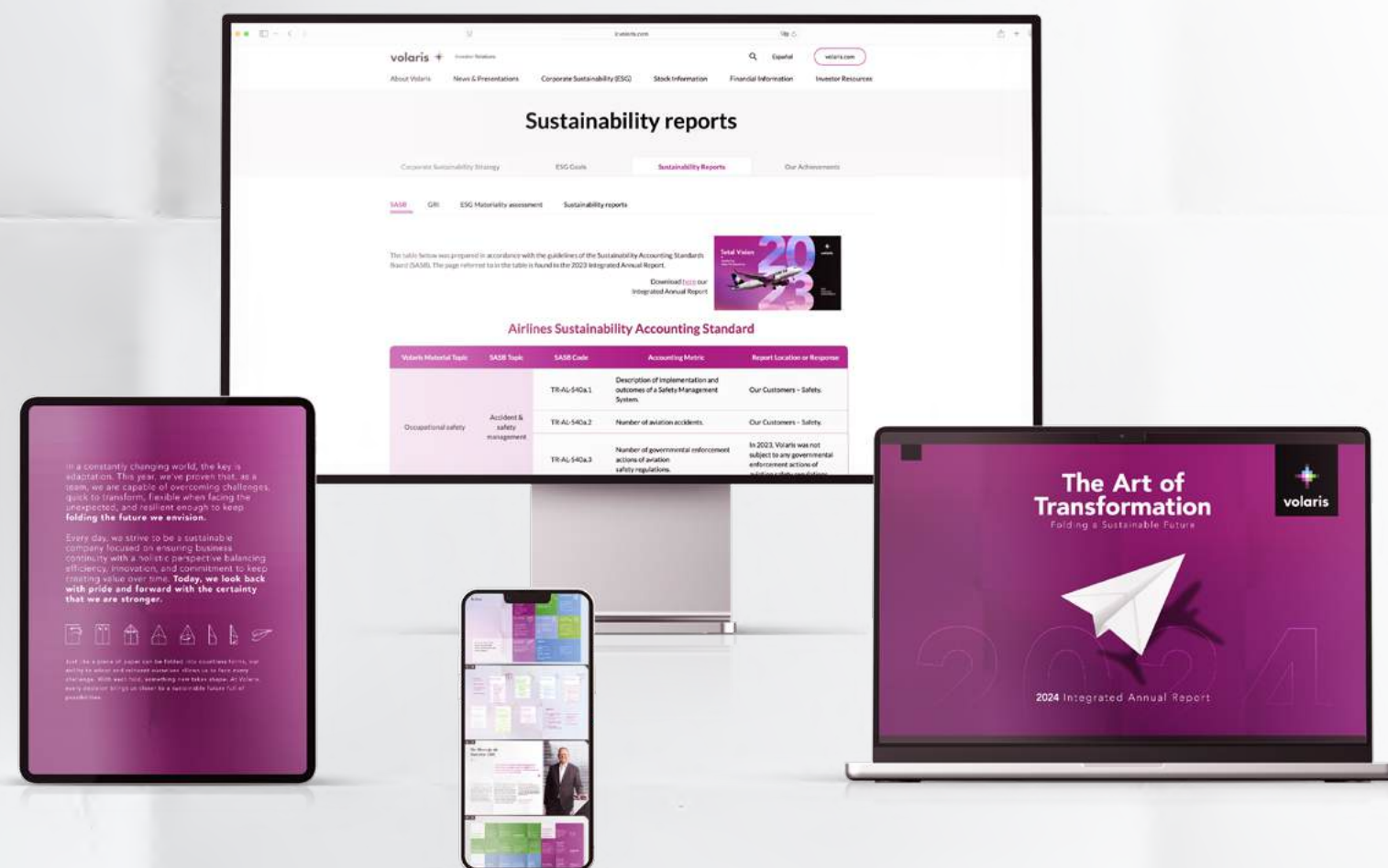
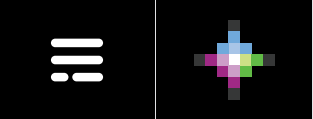
On January 28, 2025, the Mexican National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*, or CNBV) published a resolution in the *Diario Oficial de la Federación* (Mexico's

Official Gazette), mandating the adoption of IFRS S1 and S2 by listed companies in Mexico for annual reporting periods beginning on or after January 1, 2025. Accordingly, Controladora Vuela Compañía de Aviación S.A.B. de C.V. (Volaris) is progressing with the implementation of sustainability-related disclosure standards to be published in 2026.

As of the date of issuance of this Report, Volaris is not required to report under IFRS S1 or S2. However, the Company has launched a formal implementation program designed to ensure timely and high-quality compliance.

¹⁸ Now part of the IFRS Foundation.

¹⁹ Volaris defines manufactured capital as the equipment (primarily our aircraft fleet) we use for the provision of travel service.



Scope and Boundary

We published our IAR on an annual basis. The Report includes information on Volaris' performance during our fiscal year beginning on January 1 and ending on December 31, 2024 (FY 2024), unless otherwise indicated. The information presented in the Report corresponds to our operations in the locations where we have presence, including Mexico, the United States, and Central and South America.

The financial information is reported in U.S. dollars and compared to the FY 2023, unless otherwise noted and, in some cases, is reported differently from the audited FY 2024 Consolidated Financial Statements, in terms of layout, but not in terms of substance. Some figures are rounded for the sake of convenience. We suggest reviewing the **2024 Consolidated Financial Statements**  for complete FY 2024 financial information.

Volaris is committed to transparency and as such, we include certain non-financial restatements of previous years' data to increase accuracy and ensure clarity. Information on restated non-financial data is noted in footnotes throughout the Report.

Assurance

The Board of Directors delegated in Senior Management the approval of the final 2024 Integrated Annual Report, and its release to the public. In the understanding that the final recommendation was forwarded to the Corporate Governance Committee prior to the release to the public. In addition, the external firm KPMG (KPMG Cárdenas Dosal, S.C.) verified some of the ESG indicators included in the Report and issued an **Independent Limited Assurance Report** . Moreover, the firm issued an unqualified opinion related to our Consolidated Financial Statements for FY 2024.

We Are Volaris

➤
About Us

➤
Our Ultra-Low-Cost Business Model

➤
Our Corporate Sustainability Strategy

Creating a
culture that evolves with every challenge



87%
load factor

+29
million
passengers
transported

143
aircraft (60% was powered
by P&W's GTF NEO
engines and 88% was
equipped with sharklets)



We Are
Volaris

About Us

Our Ultra-Low-Cost
Business Model

Our Corporate
Sustainability Strategy

About Us

Controladora Vuela Compañía de Aviación, S.A.B. de C.V., better known as Volaris, is the holding Company of an ultra-low-cost carrier, with point-to-point operations, serving Mexico, the United States, and Central and South America. We focus on offering low base fares, quality customer service, and an extensive choice of products for our Visiting Friends and Relatives (VFR) passengers, price-conscious business travelers, and leisure travelers.

Volaris is dual listed on the Mexican Stock Exchange (BMV: VOLAR) and the New York Stock Exchange (NYSE: VLRS) with American Depositary Shares (ADSs) Level III Reporting. Volaris is headquartered in Mexico City, Mexico.

Volaris by the Numbers in 2024

6,901
Ambassadors

+29
million passengers
transported

37.4%
NPS

83.6%
on-time performance
+15 minutes

99.2%
schedule
completion

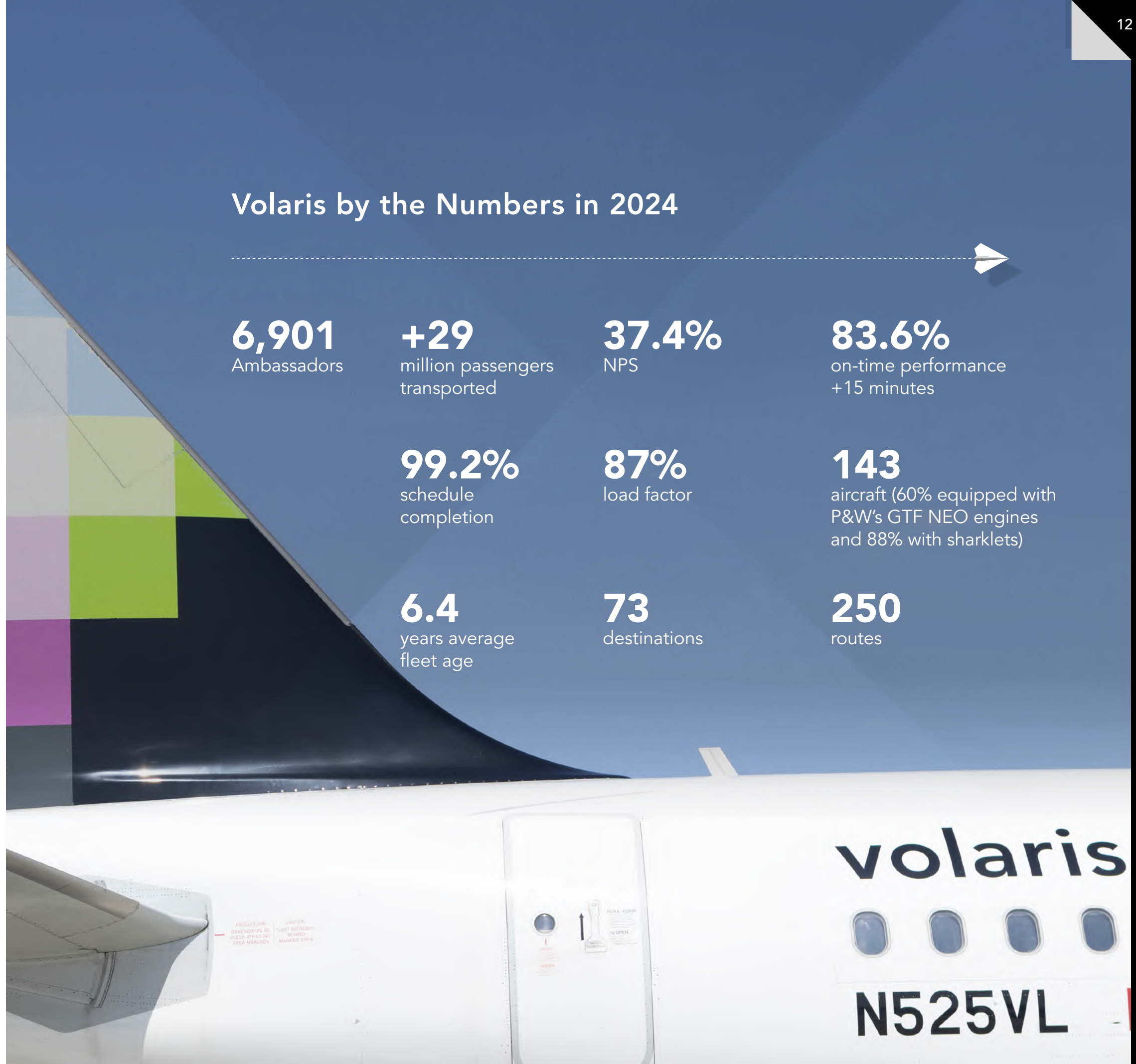
87%
load factor

143
aircraft (60% equipped with
P&W's GTF NEO engines
and 88% with sharklets)

6.4
years average
fleet age

73
destinations

250
routes





We Are Volaris

⌵ About Us

Our Ultra-Low-Cost Business Model

Our Corporate Sustainability Strategy

Our Mission

- With the best people and at a low cost, we enable more people to travel well.

Our Vision

- Transcending by creating and materializing the best travel experiences.

Our Pillars

Safety

- Nothing is more important than the safety and security of our customers and Ambassadors; it is our top priority.

Customer Service

- We create new experiences that make a difference. We know how to listen to and solve problems efficiently, creatively, and responsively to meet the needs of our internal and external customers.

Sustained Profitability

- The lowest cost always wins. Our goal is to grow steadily and maximize profits on a sustained basis, guaranteeing the growth of the Volaris Family.



We Are Volaris

About Us

Our Ultra-Low-Cost Business Model

Our Corporate Sustainability Strategy

Our Values

Credibility

- Leads a consistent lifestyle that inspires trust in others. It goes hand in hand with truth and results in acts of honesty, dedication, and commitment.

Respect

- Recognizes and values both one's own rights and those of others, promoting healthy coexistence.

Impartiality

- A sense of justice based on objective decision-making, judging facts without bias or personal interests, and ensuring that all people are treated equally regardless of the circumstances.

Camaraderie

- A voluntary and reciprocal exchange of resources to achieve the Company's shared goals with efficiency and innovation, based on kindness, respect, and trust.

Pride

- A personal sense of satisfaction from belonging to something meaningful. It reflects the gratification of being part of a recognized and honorable Company where one feels like an important contributor.

Sustainability

- A commitment to environmental stewardship, the democratization of air transport, human well-being, equal opportunities and responsible economic management in every aspect of our operations, ensuring that our actions today generate value for future generations.

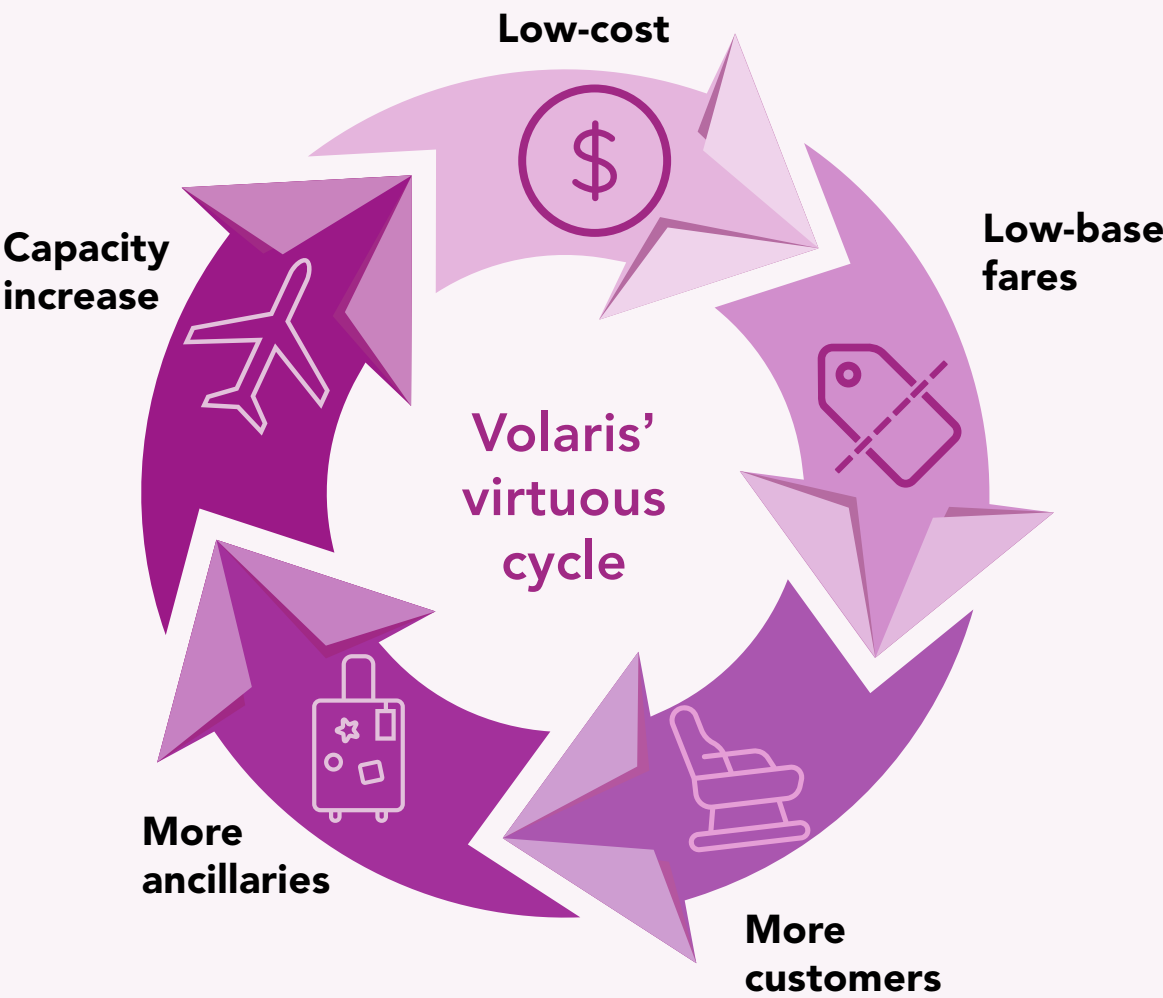
At the beginning of 2025, we established **Sustainability** as one of our core values to reflect our long-term vision of profitable and responsible growth. **By embedding sustainability into our culture**, we are strengthening our purpose of democratizing air travel, fostering it is accessible, efficient, and being increasingly mindful of its social and environmental impact. It also enables our teams to pursue their goals with a sustainability-focused approach, strengthening our resilience and the value we generate for stakeholders.



Our Ultra-Low-Cost Business Model

Volaris is dedicated to expanding access to air travel by offering affordable options to a broader population.

Through our Ultra-Low-Cost (ULCC) business model, we provide low-base fares across an extensive network of destinations, giving customers the flexibility to personalize their journey by selecting services such as baggage, seating, and other extras based on their needs and preferences. By facilitating connections between families and businesses, we contribute to the social and economic development of the regions and communities we serve. In Latin America’s emerging markets, where air travel remains underpenetrated, a growing middle class with more discretionary travel spending and under-served connectivity needs represents a significant opportunity. Volaris leverages this by attracting customers who previously relied on bus travel for its affordability or who were unable to fly due to its cost. Our robust and resilient ultra-low-cost strategy continues to be the basis of our business and a platform for sustainable growth.



Ultra-Low-Cost Business Model – Volaris' Virtuous Cycle				
Low-cost ➤ We are one of the lowest-cost publicly traded carriers worldwide.	Low-base fares ➤ We seek to offer low-base fares to our customers, which are essential to stimulate the market and maintain high load factors.	More customers ➤ We make air travel accessible to more people by offering low fares that compete with other forms of transportation.	More ancillaries ➤ We offer a wide range of value-added ancillary products. Our model allows customers to pay solely for the service they require.	Capacity increase ➤ We are focused on expanding our network by increasing the size of our fleet, and the number of flights and/or point-to-point routes.
FY 2024 CASM ex fuel: U.S. \$5.4 cents	FY 2024 average base fare: U.S. \$52.6	FY 2024 flown passengers: More than 29 million	FY 2024 total ancillary per passenger: U.S. \$55	FY 2024 total fleet: 143 aircraft

We Are Volaris

About Us

Our Ultra-Low-Cost Business Model

Our Corporate Sustainability Strategy

We believe our business model has established the foundation for long-term profitable growth through:

1 A low-cost structure, which we achieve through:

- **A cost-efficient single fleet.** We operate one of the youngest, most cost-efficient fleets in the Americas, composed of Airbus A320 family aircraft.
- **High asset utilization and efficient schedule.** Our fleet has a high-density seating configuration and one of the world's highest narrow body aircraft utilization rates by a publicly traded airline.
- **Direct sales channels distribution.** We encourage our customers to purchase flight tickets and ancillary products through our digital channels, allowing us to avoid dependency on third parties and reduce commission expenses.
- **Flexible cost structure.** Most of our costs are variable or semi-fixed, including performance-based employee compensation, providing the flexibility to quickly and tactically adjust capacity in response to market demand.



2 Additional revenue generation through:

- **Our “You Decide” strategy.** By allowing customers to pay for only what they need, we drive non-ticket revenue by expanding value-added ancillary options that enhance customer experience. Ancillaries remain a resilient and strategic contributor to total revenue, underscoring their relevance to our customers and supporting our diversified revenue model. By leveraging ancillaries, we are able to stimulate demand through lower-base fares, a key driver of bus-switching.
- **A defined roadmap to sustain at least 50% share of total operating revenues from value-added ancillary products and services** through:
 - **Tailoring the pricing of ancillary air services** based on customers’ willingness to pay, allowing us to maximize **personalization** and better meet individual preferences.
- **Launching new products and services**, including a wireless entertaining inflight service (Volaris TV) and new insurance products focused on **flexibility** for our customers.
- **Building recurring revenue streams and non-air ancillaries** by growing our v.pass subscription, increasing our v.club membership base, maximizing our co-branded credit card revenues through expansion into new locations, and launching new affinity programs.
- **Enhancing existing products and services** by improving conversion rates for seat selection, upgrading premium seats at check-in and in-cabin, and upselling additional baggage at the airport.
- **Unlocking commission revenue opportunities** through our vacation agent business YaVas.

Our Corporate Sustainability Strategy

 Priority boarding

²⁷ Make date and time changes without service fees, pay only fare difference.

We Are Volaris

About Us

➤ **Our Ultra-Low-Cost Business Model**

Our Corporate Sustainability Strategy



3 Disciplined approach to market and route selection:

- **Selecting markets and routes we serve through a disciplined and data-driven approach**, prioritizing those where we can achieve the highest profitability within a reasonable timeframe. We continue operating only those routes where we reach and maintain profitability, ensuring an efficient allocation of our resources and long-term value generation.
- **Focusing on routes that are underserved or traditionally served only by bus services or higher-cost carriers.** Our ULCC model appeals strongly to price-sensitive customers, enabling us to stimulate demand, while maintaining profitability.

➤ **Maintaining significantly less ASMs overlap with competitors by leveraging the key role of our network strategy.** This allows us to extract more value from our operations. Internationally, we are the largest foreign carrier by capacity serving the United States-Mexico market.

➤ **Replicating our successful VFR model in Central America**, a region with similar demographics and travel patterns, and where ULCC penetration remains low. With Air Operator Certificates (AOCs) in Costa Rica and El Salvador, we are well positioned to serve the U.S. market directly, reinforcing our view of Central America as a natural extension of our core VFR franchise in Mexico.

1	Acapulco	26	Las Vegas	51	Queretaro
2	Aguascalientes	27	Leon, Guanajuato	52	Reno
3	Bogota, Colombia	28	Lima, Peru	53	Sacramento
4	Cancun	29	Loreto	54	San Antonio, Texas
5	Ciudad Juarez	30	Los Angeles	55	San Jose, California
6	Ciudad Obregon	31	Los Cabos	56	San Jose, Costa Rica
7	Charlotte	32	Los Mochis	57	San Luis Potosi
8	Chetumal	33	Mazatlan	58	San Pedro Sula, Honduras
9	Chicago Midway	34	McAllen, Texas	59	Santa Lucia, Mexico City
10	Chicago O'Hare	35	Merida	60	Seattle
11	Chihuahua	36	Mexicali	61	Tapachula
12	Colima	37	Mexico City	62	Tepic
13	Cozumel	38	Miami	63	Tijuana
14	Culiacan	39	Monterrey	64	Toluca
15	Dallas Forth Worth	40	Morelia	65	Torreon
16	Denver	41	New York	66	Tulum
17	Durango	42	Oakland	67	Tuxtla Gutierrez
18	El Salvador	43	Oaxaca	68	Uruapan
19	Fresno	44	Ontario, California	69	Veracruz
20	Guadalajara	45	Orlando	70	Villahermosa
21	Guatemala City	46	Phoenix	71	Washington, D.C.
22	Hermosillo	47	Portland	72	Zacatecas
23	Houston	48	Puebla	73	Zihuatanejo
24	Huatulco	49	Puerto Escondido		
25	La Paz	50	Puerto Vallarta		

159 domestic
91 international

44 domestic
29 international

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4 Operational efficiency and market-leading performance:

- **Monitoring key indicators**, aligned with our cost reduction strategy, such as schedule completion, on-time performance, booked passengers, NPS, ASMs, load factors, and block hours. Our broad and diversified domestic network enables us to operate efficiently and adjust capacity dynamically in response to market demand. This network density enhances asset utilization and allows us to optimize flight frequencies, aircraft turnaround times, and crew scheduling.
- **Leading in market share in more than half of the airports we serve in Mexico**, which not only reflects our strong market presence but also contributes to cost synergies, operational flexibility, and economies of scale. Our efficient route deployment, combined with disciplined growth and high aircraft utilization, supports our ability to maintain industry-leading metrics.

5 A healthy balance sheet:

- **Maintaining a manageable debt profile that supports our growth strategy.** Our solid financial position allows us to fund expansion opportunities and strengthen our existing route network, helping us maintain a competitive edge. As of the end of 2024, approximately **87%** of our total debt, including lease liabilities, is not exposed to interest rate increases, providing stability and predictability in our financial obligations.
- **Holding a robust cash position and a conservative debt profile**, with **45%** of our financial debt corresponding to Pre-Delivery Payment (PDP) financing, which is reimbursed upon aircraft delivery, and no material near-term maturities.

6 A growing customer base:

- **By offering low base fares, we stimulate travel demand and attract new customers**, including those who have previously traveled by bus. Our target market, VFR and price-conscious business travelers, has significant growth potential throughout Mexico, the U.S., and Central and South America. Furthermore, **in 2024, we had over 255,000 payment points throughout Mexico, the U.S., and Central and South America**, allowing our customers without credit cards or those who prefer not to use them to book flights easily.

7 Brand awareness with a rapidly growing fan base:

Our brand is well-known in the markets where we operate and we have a significant presence on social networks for marketing, customer service, and promotional purposes. **In 2024, we reached 8.4 million social media followers.**

8 Strong Company culture and talent:

- **Developing a culture focused on safety, meritocracy, efficiency, profitability, and sustainability.**
- **Having an experienced management team**, as our Board of Directors and Senior Management comprises executives with extensive experience in their respective fields.

- 9 **Our shareholders' support:** We benefit **from the strong backing of our shareholders**, who have deep experience in the airline and travel industry worldwide. Their strategic vision, global relationships, and purchasing power have supported the development of our ULCC business model and contributed to our long-term resilience and growth.





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➤
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Our Corporate Sustainability Strategy

Volaris is committed to sustainable development, enabling our ultra-low-cost business model to deliver the benefits of affordable air travel to future generations **while seeking to create long-term value for our stakeholders.** These include our customers, investors, Ambassadors, suppliers, authorities, union, industry partners, and the communities where we operate.

Our results are partly driven by our effective management of the most essential environmental, social, governance (ESG), and economic factors.



Our Corporate
Sustainability
Strategy is built
around three core
pillars: Environmental,
Social, and Economic
& Governance.





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Environmental

Through our **Environmental pillar**, we aim to identify, assess, and address the environmental impact of our operations, as well as the associated risks and opportunities. We have developed actions to recognize the effects of climate change on our business, reduce our environmental footprint, comply with applicable regulations, and promote a culture of environmental awareness across our value chain and among our stakeholders.

- **Reduce environmental impact:** We aim to employ a methodical approach to reduce fuel consumption, conserve energy, reduce and properly manage waste, and certify our operations to global environmental management standards.
- **Manage climate change effects:** We measure, analyze, and report our environmental footprint²⁸ and some associated risks and opportunities, and promote the implementation of mitigation plans accordingly.
- **Comply with applicable environmental regulations:** We monitor and adhere to national and international environmental regulations applicable to the aviation sector.
- **Promote an environmental awareness culture throughout our value chain and stakeholders:** We empower our customers to contribute to climate action by offering them the option to voluntarily offset part of the carbon emissions from their flight.²⁹ Moreover, we encourage our Ambassadors to be part of this environmental awareness by participating our *VOlconsciente* campaign. We also promote environmental protection efforts among our suppliers and implement corrective action programs for those with identified opportunities for improvement based on our annual evaluations.

Social

Our **Social pillar** is grounded in making air travel accessible to all, today, and in the future. We aim to generate positive social and economic impact and promote well-being across our network.

- **Prioritize our customers' and Ambassadors' well-being:** We place the safety, health, and rights of our customers and Ambassadors at the core of our operations.
- **Foster inclusive connectivity:** We help bring our communities together by offering a faster, safer, and more affordable travel option that empowers underserved communities to connect with relevant cities in the countries in which we operate, promoting social development and economic growth.
- **Attract and develop the best talent:** We seek to attract, develop, and retain talented, competent, and professional people. Our labor practices are designed to support strong labor relationships that reinforce the personal and professional development of our Ambassadors through the Volaris Culture.
- **Promote equal opportunities:** We promote merit-based equal opportunities for all Ambassadors and a workplace free of discrimination.
- **Promote human rights and values:** We educate our Ambassadors on human rights, ethical values, and high standards of conduct through training programs.
- **Support local communities:** We invest in social programs to assist the communities where we operate, focusing on emergency response and helping prevent child and adolescent trafficking for the purpose of commercial sexual exploitation.
- **Protect customer information:** We have a customer-centric approach that includes robust data security and privacy programs to protect customer information.

Economic & Governance

Our **Economic & Governance pillar** is focused on strengthening the Company by ensuring responsible management of its financial resources and strong corporate governance. It also ensures regulatory compliance and transparent information disclosure to maintain stakeholder trust and long-term resilience.

- **Strengthen corporate governance practices:** We align with best practices in governance by maintaining independent oversight, promoting accountability at all levels, and fostering a culture of compliance and integrity across the Company.
- **Safeguard the Company's financial sustainability:** We aim to create long-term value by managing resources efficiently, maintaining cost discipline, and pursuing responsible growth aligned with our business model and stakeholder expectations.
- **Maintain clear communication channels with our stakeholders:** We manage our corporate reputation and actively engage with key stakeholders through satisfaction surveys, social media, participating in relevant forums, personalized assistance, among other methods.
- **Reinforce our business values and ethics:** We uphold strong ethical standards through our anti-corruption, anti-bribery, and related policies; risk and crisis management systems; and a solid commitment to transparency across all our processes.
- **Oversight in our supply chain:** We foster long-term relationships with our suppliers and promote ethical, legal, and sustainable practices across our value chain through our Responsible Supplier Management Model.

²⁸ Our environmental footprint is composed of carbon emissions of Scope 1 and Scope 2.

²⁹ For more information about this product, please refer to the section on Voluntary Emissions Offsetting.

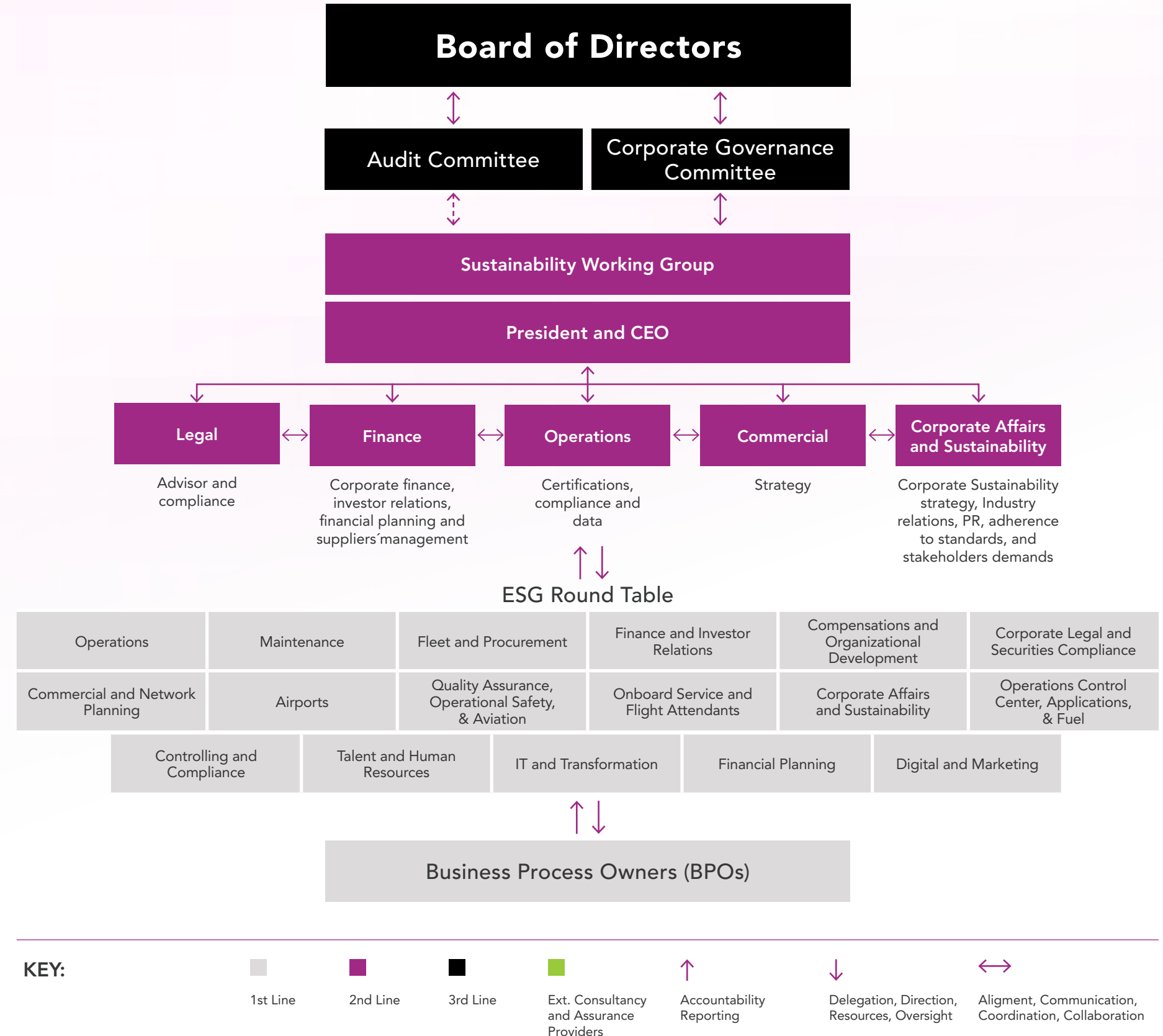
CORPORATE SUSTAINABILITY OVERSIGHT

Our **Board of Directors**, with the support of its Corporate Governance Committee, **has ultimate oversight of our Corporate Sustainability Strategy**. This includes supervising our main ESG and Economic initiatives and monitoring our progress.

In February 2024, the Board of Directors decided that our Sustainability Working Group will report to both the Corporate Governance Committee and the Audit Committee, the latter on a dotted line basis. The **Corporate Governance Committee** helps the Board evaluate the **Company's sustainability initiatives**, including efforts related to climate change, considering the recommendations provided by the **Sustainability Working Group**. Please, see **Our Committees and Working Groups**  for more information on the Sustainability Working Group's key responsibilities and members.

Meanwhile, the **Audit Committee oversees the Company's comprehensive risk management framework**, ensuring that sustainability-related risks are included in the assessment.

Furthermore, in March 2024 and June 2025, our Board of Directors participated in training sessions focused on sustainability. These sessions covered recent ESG trends, compliance initiatives, and best practices, and outlined key sustainability responsibilities for Board members. Led by an external consultancy, the training fostered discussions among Board members to effectively address Volaris' ESG and economic priorities moving forward.



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Our President and CEO provides the highest management level oversight of the Corporate Sustainability Strategy. Following his leadership, the Chief Corporate Affairs and Sustainability Officer (CCASO), coordinates transversally the execution of our sustainability efforts. The department aims **to integrate ESG criteria into the Company's operations and processes;** develop and lead non-financial reporting, including sustainability-related management disclosures; propose key ESG performance indicators; and report progress on key sustainability initiatives, regulations, and goals to Senior Management.

The **CCASO** reports directly to our President and CEO and serves as the lead of the Sustainability Working Group. Additionally, the CCASO represents this Working Group before the Corporate Governance Committee, and before the Audit Committee in matters related to sustainability-related risks and oversight only.

The **main duties** of the CCASO include:

- Defining the priorities of the Corporate Sustainability Strategy.
- Ensuring the cross-functional implementation of Volaris' Corporate Sustainability Strategy across all areas of the Company.
- Monitoring the quarterly performance of key ESG indicators through a dedicated dashboard.
- Determining timely responses to emerging ESG requirements and stakeholder expectations.
- Overseeing the development and publication of non-financial disclosures.
- Reporting progress on the Corporate Sustainability Strategy to Senior Management and Committees to ensure alignment at the highest decision-making levels.
- Promoting and supporting new sustainability initiatives that align with Volaris' business strategy and contribute to the Company's long-term sustainability.

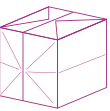
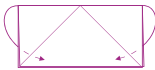
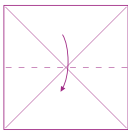
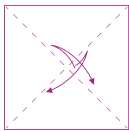
- Representing the Company in public affairs and sustainability-related dialogues with regulatory authorities, industry associations, and other key external stakeholders.

Our **ESG Round Table** reports to the Sustainability Working Group and serves as the primary forum for addressing all matters related to the Corporate Sustainability Strategy management at a first-line level. It is composed of directors and executives from key areas involved in sustainability matters and **functions as a collaborative space to propose new initiatives, monitor progress on ESG-related KPIs, track both emerging and current applicable sustainability regulations, and ensure alignment with the Company's strategic priorities.** The ESG Round Table also supports the execution of resolutions made by the Board of Directors.

During 2024, this multidisciplinary group met four times. To support the ESG Round Table's activities, we also have established internal multidisciplinary teams known as Working Tables, dedicated to advancing a wide range of environmental, social, governance, and climate-related projects, such as compliance and reporting matters.



OUR ESG GOALS



Environmental

Transition to a fleet composed mostly of 100% Airbus A320neo family aircraft equipped with sharklets by 2030.³⁰

Our fleet consisted of 143 Airbus A320neo family aircraft – an increase of 14 aircraft compared to 2023 –, **60% of the fleet was powered by P&W’s GTF NEO engines and 88% was equipped with sharklets.**

Manufactured Capital
Improving the adoption of technology and fuel efficiency of our fleet.
Financial Capital
Reducing operational costs, including jet fuel consumption.

Our Environmental Impact

Reduce our Scope 1 aircraft CO₂ emissions intensity by 35.42%, measured in grams of CO₂ per revenue passenger kilometer (gCO₂/RPK) by 2030, using a 2015 baseline.³¹

We have reduced our Scope 1 aircraft CO₂ emissions intensity by **20.77% gCO₂/RPK vs. 2015.**

Natural Capital
Mitigating climate change impacts.
Contributing to the preservation of air quality.

Our Environmental Impact

Contribute to the aviation sector’s decarbonization by 2050, as part of IATA’s Fly Net Zero initiative.

We continued to invest in projects for the research and development of a cost-effective and sustainable supply of SAF, including in feasibility studies and early-stage SAF producers (startup), and through engagement with government authorities and encouraging industry partnerships with universities and research institutions.

Natural Capital
Mitigating climate change impacts.
Contributing to the preservation of air quality.
Manufactured Capital
Improving fleet technology and fuel efficiency.
Collaborating to develop SAF.

Our Environmental Impact

Social

Increase representation of women in top management and underrepresented areas by 25% or up to a minimum of 25% by 2025, as part of IATA’s 25by2025 initiative.

The percentage of women in top management positions has increased by **25% since early 2022.**
The percentage of women in underrepresented areas increased by **4% vs. 2023.**

Human Capital
Building a stronger, more resilient workforce through our commitment to equal opportunities for all employees.

Our Ambassadors

³⁰ Since the publication of the 2022 IAR, the goal’s target date has been changed from 2028 to 2030. This goal is contingent upon aircraft and engine manufacturers’ delivery schedules.
³¹ The established target is being closely monitored. If Airbus continues delaying scheduled aircraft deliveries and/or the accelerated inspections of P&W’s GTF NEO engines persist and face increased challenges, Volaris would need to revisit this goal.

ESG RELEVANT TOPICS

Between 2024 and 2025, as part of our Corporate Sustainability Strategy and during a review cycle held every two years or more, we updated our ESG relevant topics assessment, with the advice of an external consultant, to reflect the current business context since 2021³² and align with international best practices. This methodology considers the Company's impact on the environment, people, and value chain.

The objective of the assessment is to identify and voluntarily disclose ESG topics that are most relevant to Volaris and its stakeholders from a long-term business perspective, for decision-making, strategic planning, and resource allocation, among other things.

Assessment results were presented to our Senior Management and Corporate Governance Committee.

The assessment was conducted by a third party and was based on a qualitative methodology that included:

- a** Dialogue with key internal and external stakeholders through interviews and surveys.
- b** Context and peer benchmarking analysis using AI-powered tools to assess best practices from leading industry and sector peers.
- c** Alignment with international reporting frameworks, including SASB and GRI.

Please see the ESG Relevant Topics Assessment Methodology for more information about the qualitative methodology of the assessment. 📄

As a result of the assessment, **ESG relevant topics** were identified for Volaris:

- Fuel consumption and GHG emissions
- Cybersecurity and data protection
- Climate change strategy
- Aviation security and safety
- Regulatory compliance
- Labor practices
- Ethics and transparency
- Resilient business model
- Supply chain management
- Operational efficiency
- Customer satisfaction and experience
- Corporate governance
- Social commitment
- Innovation and new technologies
- Low and flexible fares



³² The latest ESG relevant topics assessment was conducted in 2021.



Our Commitment to Sustainable Development

↗
Volaris Value
Creation Model

↗
Stakeholders
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Goals

Creating forward-looking strategy



5 years
included in the
Dow Jones Best-in-
Class MILA Pacific
Alliance Index

Participant
in the United Nations
Global Compact

"A" rating
by MSCI ESG Ratings,
reflecting our progress
in integrating ESG
factors into our business
strategy

Our Commitment to Sustainable Development

Our Commitment to Sustainable Development

Volaris Value Creation Model

Stakeholders Engagement

United Nations Sustainable Development Goals



At Volaris, we recognize the importance of sustainability as a fundamental part of our long-term business strategy and our effect to the communities we serve.

We understand the importance of environmental stewardship, social responsibility, and solid governance practices moving forward. These principles are embedded in our business model and shape our decisions as we strive to create lasting value for our stakeholders.

We recently joined the United Nations

Global Compact³³ as an active participant. By joining this global initiative, we have pledged to align our operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment, and anti-corruption. This step also connects us to a global network of organizations working together to lead responsible growth.

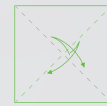
³³ Volaris joined the United Nations Global Compact in February 2025.



Volaris Value Creation Model

Our approach to sustainable development aims to create long-term value for all our stakeholders through the lens of social and environmental impacts.

The Volaris Value Creation Model illustrates how we generate value throughout the reporting period. This Model has three sections:



Capital Inputs

We utilize the six <IR> Framework³⁴ capitals to run our business: Financial, Manufactured, Human, Social and Relationship, Intellectual, and Natural.



Business Activities

This is how we utilize capital inputs to create value for our stakeholders.

We detail our business activities through the environmental, social, and governance and economic pillars, which are based on our Corporate Sustainability Strategy.



Outputs and Outcomes

These highlight results, i.e., the value generated by our business activities during 2024.

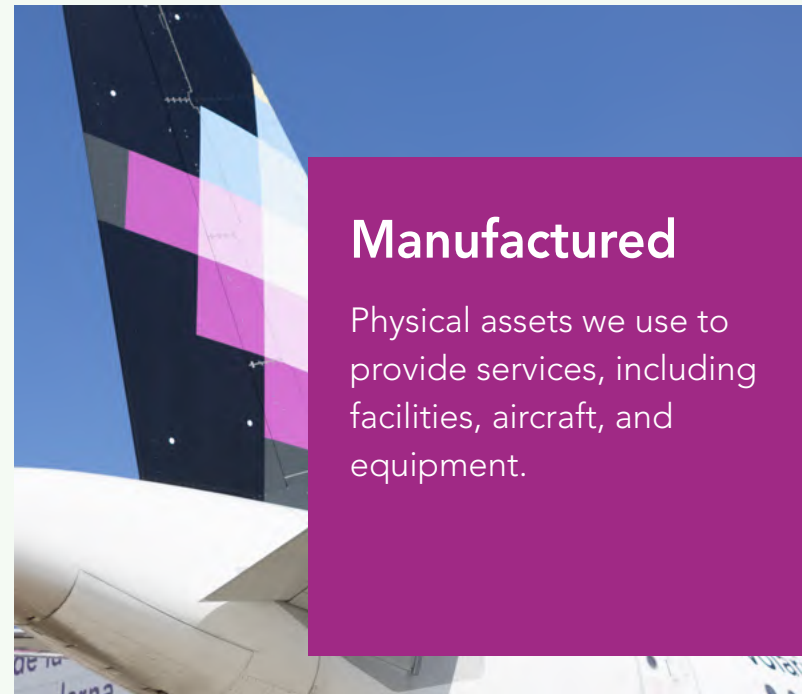
³⁴ Based on the IFRS International <IR> Framework, January 2021.

✚ The Six Capitals of the <IR> Framework



Financial

Financial resources that Volaris utilizes to carry out its business activities, including debt, equity, cash, and investments.



Manufactured

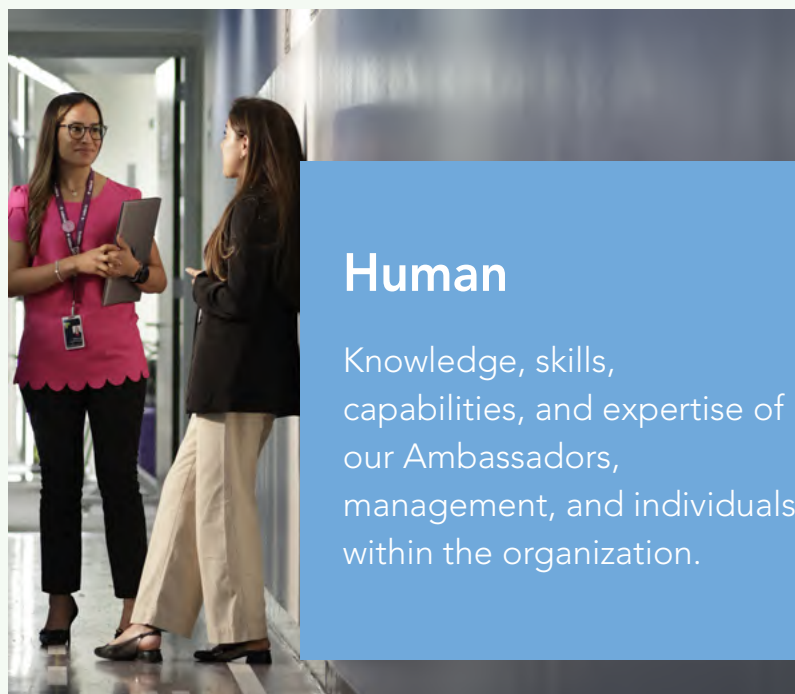
Physical assets we use to provide services, including facilities, aircraft, and equipment.



Intellectual

Intellectual property: Knowledge and other intangible assets that contribute to Volaris' value, such as patents, software, proprietary methods, and more.

Organizational Capital: Systems, policies and protocols implemented by Volaris to manage and improve its operations.



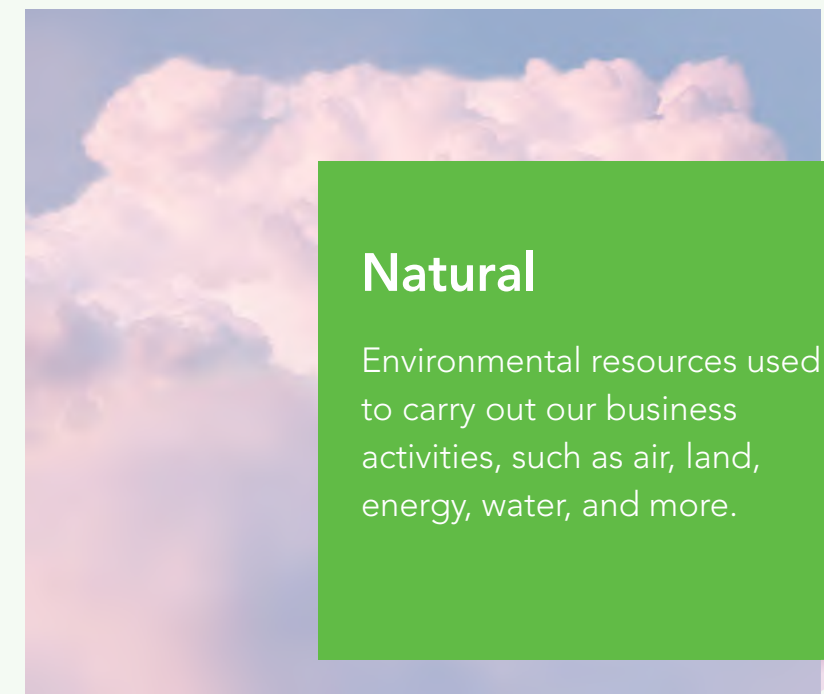
Human

Knowledge, skills, capabilities, and expertise of our Ambassadors, management, and individuals within the organization.



Social and Relationship

Relationships with stakeholders, including customers, suppliers, authorities, unions, local communities, among others.



Natural

Environmental resources used to carry out our business activities, such as air, land, energy, water, and more.



Our Commitment to Sustainable Development

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Stakeholders Engagement

United Nations Sustainable Development Goals

Capital Inputs

At the end of 2023

Governance and Economic Pillar

Financial Capital

- Total operating revenues of U.S. \$3,259 million
- Cash in balance of U.S. \$789 million, including short term investments

Intellectual Capital

- Software and IT capabilities
- Brand identity and trademarks
- Safety management systems

Social pillar

Human Capital

- 7,198 Ambassadors
- Strong corporate culture and labor relations
- Highly experienced Board of Directors Senior Management

Social & Relationship Capital

- Focus on VFR, leisure, and price-conscious business travelers
- Leadership in industry associations
- Commitment to community engagement and philanthropy

Environmental pillar

Natural Capital

- Aircraft fuel derived from fossil fuels
- Passenger destinations that rely on natural resources like biodiversity and water

Manufactured Capital

- Young fuel-efficient fleet of 129 Airbus A320 family aircraft
- Ongoing Airbus delivery delays and impact of P&W's GTF NEO engine accelerated inspections

Business Activities

Safety

- Safety Management System with IOSA certification
- Strong partnerships with suppliers & regulators
- Ongoing program to help prevent commercial sexual exploitation of children and adolescents in travel and tourism

Environmental Management

- Fuel Saving Program
- Regulatory compliance
- IAMS and environmental programs and processes certified by ISO 14001
- Emissions monitoring process
- Voluntary carbon offsetting (#cielitolimpio product)
- Waste management
- Use of SAF

Customer Service

- Low-base fares to democratize air travel
- Customer self-service strategy
- Marketing, additional services, and affinity programs to strengthen customer base

Cost Management

- Efficient single fleet and fleet mix strategy (fleet deployment)
- High asset utilization, route optimization, and flexible schedule
- Direct sales distribution channels
- Variable cost structure

Ambassadors

- Competitive compensation and benefits
- Robust talent pipeline
- Continuous training and development plans
- Promote equal opportunities and human rights

Outcomes

At the end of 2024

Governance and Economic Pillar

Financial Capital

- Total operating revenues of \$3,142 million, a 4% decrease from 2023
- Net income of \$126 million
- TRASM increased 10.3% to U.S. \$9.2 cents
- EBITDAR margin was 36%, increase of 11 pp YoY
- Included in S&P Dow Jones Best-in-Class MILA Pacific Alliance Index

Intellectual Capital

- Advanced our customer's travel experience through the launch of the new Volaris mobile app 2.0 which provides more opportunities for self-service, personalization, and convenience
- Implemented an advanced digital tool in our customer service platform to improve service through faster response times
- We managed 11.3 million chatbot sessions, achieving a 95.0% containment rate³⁵

Social pillar

Human Capital

- Updated and redesigned our employee Competency Model which is used to enhance our Ambassadors' leadership skills and promote career development in alignment with our business strategy
- Negotiated a new multi-year contract with our primary labor union
- Average of 7.1 hours of training per FTE

Social & Relationship Capital

- 37.4% Net Promoter Score
- Expanded our protocols to help prevent child and adolescent trafficking to include operations in Central and South America
- Supported over 21,000 families through our *Avión Ayuda Volaris*
- Named among the top 10 safest low-cost-airlines by AirlineRatings.com. Zero aviation accidents or passenger fatalities.

Environmental pillar

Natural Capital

- 20.7% gCO₂/RPK (Scope 1 aircraft CO₂ emissions) vs. 2015
- Continued partnerships and investments to develop and use sustainable and cost-effective supply of SAF in Mexico

Manufactured Capital

- Continued to balance P&W's GTF NEO engines removals, accelerated inspections and returns

³⁵ Refers to the percentage of users who interact with an automated service and leave without speaking to a live human agent.

Stakeholders Engagement

Ongoing dialogue with our stakeholders is crucial for understanding how our operations affect them and shaping our **value creation strategy**. The following section presents our main engagement practices, the issues stakeholders consider most relevant, and how we have responded to their feedback.

Stakeholders	Communication Channels	Key Issues	Response
Customers 	➤ Digital platforms (website, mobile app, social media) ➤ Call center ➤ Direct sales distribution channels ➤ Onboard service and digital magazine ➤ Customer experience surveys ➤ Press releases and media interactions ➤ Marketing and communication campaigns ➤ Annual reports	➤ Accessibility and connectivity (route expansion) ➤ Competitive fares ➤ Safety and aviation security ➤ Travel experience ➤ Data protection and privacy ➤ Environmental footprint reduction	➤ We Are Volaris ➤ Our Customers ➤ Our Environmental Impact ➤ Our Community Engagement
Ambassadors 	➤ Internal communications (e-mails, newsletters, etc.) ➤ Engagement surveys ➤ Volaris Ethics Line ➤ Periodic reports from Senior Management ➤ Collective bargaining agreements with labor unions	➤ Corporate culture and labor practices ➤ Business strategy and results ➤ Business ethics and compliance ➤ Compensation and benefits ➤ Equal labor opportunities and human rights ➤ Training and professional and personal development ➤ Occupational health and safety ➤ Union and labor relations ➤ Environmental footprint reduction	➤ Our Ambassadors

Our Commitment to Sustainable Development

Volaris Value Creation Model

7 Stakeholders Engagement

United Nations Sustainable Development Goals

Stakeholders	Communication Channels	Key Issues	Response
Union 	▶ Collective bargaining agreements ▶ Volaris Ethics Line ▶ Institutional communication ▶ Annual reports ▶ E-mail	▶ Long-term and reliable relationship with the Company ▶ Labor legislation compliance ▶ Human rights protection	▶ Our Ambassadors ▶ Our Governance
Community 	▶ Annual reports ▶ External communication, e.g., marketing campaigns, news releases, etc. ▶ Inflight digital magazine ▶ Community engagement activities	▶ Humanitarian and emergency response initiatives ▶ Environmental footprint reduction ▶ Economic contribution through connectivity, tourism, VFR passengers, bus-switching, and business travel ▶ Protection of human rights	▶ We Are Volaris ▶ Our Governance ▶ Our Environmental Impact ▶ Our Community Engagement
Suppliers 	▶ Annual evaluation ▶ Contracts ▶ Informative circulars ▶ Annual reports	▶ Product and service reliability ▶ Sustainable value chain ▶ Upholding human rights ▶ Environmental footprint reduction	▶ Our Governance
Investors 	▶ Annual Shareholders Meeting ▶ Quarterly earnings calls and financial reports ▶ Annual reports ▶ Media and press releases ▶ Surveys, indexes, and ratings ▶ One-on-one meetings ▶ E-mail and IR webpage ▶ Participation at conferences and forums	▶ Business outlook and strategy ▶ Return on investment ▶ Income generation ▶ Cost reduction ▶ Corporate governance ▶ Risks, opportunities, and crisis management ▶ Ethics, transparency, and compliance culture ▶ Corporate Sustainability Strategy	▶ We Are Volaris ▶ Our Commitment to Sustainable Development ▶ Our Governance ▶ Our Customers ▶ Our Ambassadors ▶ Our Environmental Impact ▶ Our Economic Performance
Authorities, industry organizations, and peers 	▶ Compliance reporting ▶ Media and press releases ▶ Direct communication with strategic partnerships ▶ Chambers and forums memberships ▶ Events and conferences ▶ Annual reports	▶ Regulatory compliance ▶ Economic development ▶ Tax payment ▶ Safety and aviation security ▶ Environmental footprint reduction ▶ Customer experience ▶ Labor practices	▶ We Are Volaris ▶ Our Commitment to Sustainable Development ▶ Our Governance ▶ Our Customers ▶ Our Ambassadors ▶ Our Environmental Impact ▶ Our Economic Performance



United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals (UN SDGs) are a set of 17 goals established by the United Nations in 2015 as a global blueprint for achieving a more sustainable future by 2030.

The UN SDGs provide a framework for governments, businesses, and individuals to work together and take actions that contribute to a more inclusive, equitable, and sustainable world. **Volaris supports all 17 goals and we have identified seven UN SDGs that clearly align with our actions and business strategy.**

For more information about the UN SDGs, including their associated targets and indicators, please visit <https://sdgs.un.org/goals> .

Goal	Relevant Targets	Volaris' Contribution Highlights	Applicable IAR Chapter
	Achieve gender equality and empower all women and girls.	5.1 ➤ Volaris joined the IATA's 25by2025 initiative, which seeks to reduce gender inequality in the aviation sector and increase the representation of women in underrepresented positions such as pilots, maintenance, engineering, top management, and Senior Management, based on merit.	Our Ambassadors
	5.2	➤ Around 40% of new hires in 2024 were women.	
	5.5	➤ Only about 5% of pilots around the world are women. Our Volaris Pilot Scholarship Program supports to expand the talent pipeline for the aviation industry.	
	Ensure access to affordable, reliable, sustainable and modern energy for all.	7.3 ➤ We actively explore opportunities to access SAF and support efforts to advance its research, development, supply, and use.	Our Environmental Impact
	7.a	➤ We continue to invest in fleet modernization by incorporating fuel-efficient Airbus A320neo family aircraft equipped with P&W's GTF NEO engines, which remain among the most fuel efficient in the industry.	

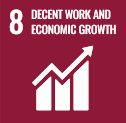


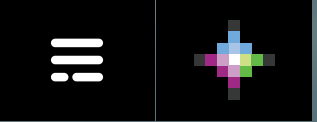
Our Commitment to Sustainable Development

Volaris Value Creation Model

Stakeholders Engagement

United Nations Sustainable Development Goals

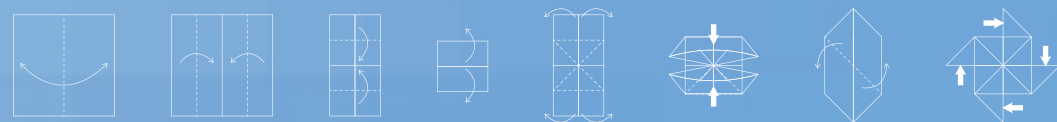
	Goal	Relevant Targets	Volaris' Contribution Highlights	Applicable IAR Chapter
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	8.5 8.7	➤ We provide competitive salaries and benefits to our Ambassadors and seek to ensure that compensation is fair across the organization. ➤ We are continuously working to prevent forced labor, modern slavery, and human trafficking across our operations and value chain. ➤ By improving transportation and communication networks regionally, we contribute to tourism growth and promote economic development in emerging markets across Mexico, and Central and South America. ➤ We provide connectivity across 32 states in Mexico, 23 destinations in the U.S., and 6 destinations in Central and South America.	Our Ambassadors Our Governance
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	9.1	➤ In 2024, we provided over 29 million passengers with safe, affordable air travel through our point-to-point network of 250 routes. ➤ By enhancing regional connectivity, we help strengthen communities, boost tourism, and support economic development in the emerging markets in Mexico, and Central and South America.	We Are Volaris Our Customers
	Reduce inequality within and among countries.	10.2 10.3 10.4	➤ Our ultra-low-cost model promotes affordable base fares, democratizing air transportation, and promoting associated economic opportunities; around 40% of our routes compete only against buses, offering faster and more efficient connectivity. ➤ We foster a workplace culture free of discrimination. ➤ We promote merit-based equal opportunity for all employees. We constantly monitor our gender pay ratio to ensure fair compensation based on work performance.	We Are Volaris Our Ambassadors
	Take urgent action to combat climate change and its impacts.	13.3	➤ We joined the IATA's pledge to achieve industry's net zero carbon emissions by 2025 and created strategic alliances around the aviation value chain to promote solutions on climate matters. ➤ We are actively working to reduce our Scope 1 aircraft CO₂ emissions, through ambitious initiatives such as our Fuel Consumption Program.	We Are Volaris Our Environmental Impact
	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	17.16 17.17	➤ Volaris collaborates closely with government agencies, industry organizations, labor unions, and other stakeholders to promote best practices in the aviation sector, including those focused on minimizing operational environmental impact.	We Are Volaris Our Governance Our Customers Our Environmental Impact



Our Governance

- Corporate Governance
- Compensation
- Addressing Risks and Opportunities
- Ethics and Compliance Culture
- Supply Chain Management

Creating the principles that guide every decision



69%

Independent Directors

100%

FTE Ambassadors trained in the Volaris Code of Ethics

225

Significant suppliers underwent a screening process

GRI 2-1, 2-6, 2-9, 2-10, 2-11, 2-13, 2-15, 2-16, 2-18, 2-19, 2-20, 2-25, 2-27, 2-28, 3-3, 201, 205, 205-1, 205-2, 206, 206-1, 308-1, 405-1, 414-1, 415, 415-1, 416-2

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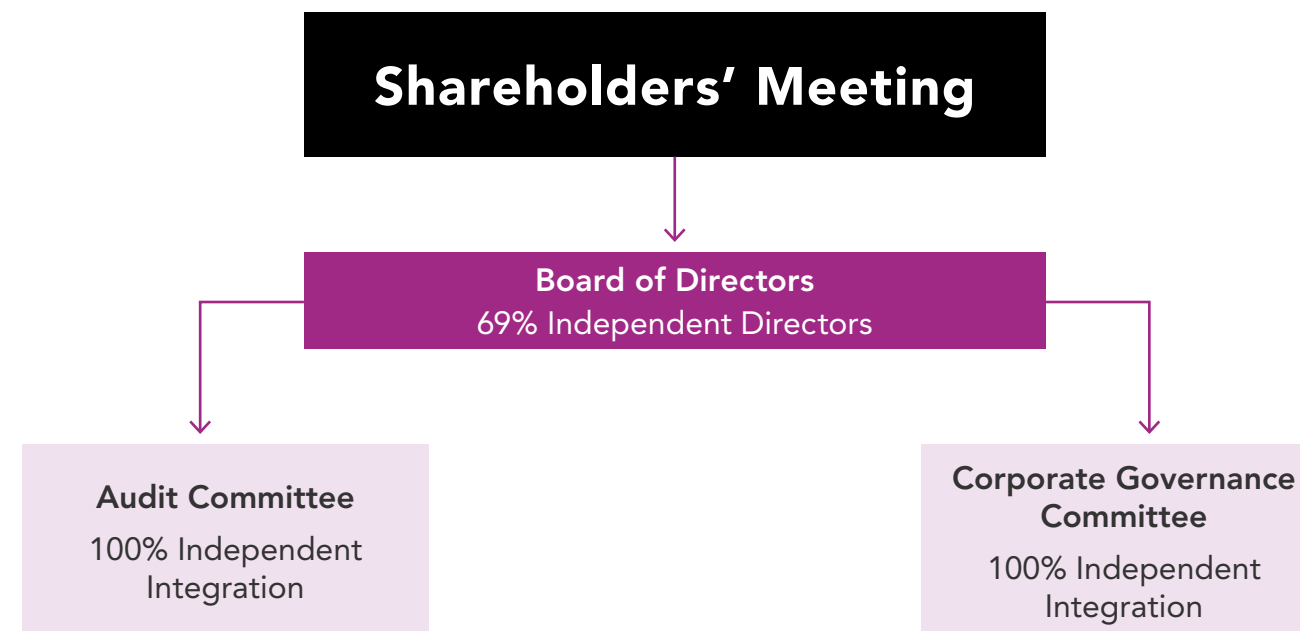
Supply Chain Management

Our Governance

At Volaris, prioritizing strong governance is essential for our sustainability and performance. It not only fosters stakeholder trust but also cultivates improved decision-making while helping to mitigate risks.

We embrace national and international best practices to ensure that our governance framework remains robust. Our commitment to sound governance practices is grounded in our adherence to the Code of Principles and Best Practices of Corporate Governance (*Código de Principios y Mejores Prácticas Corporativas de Gobierno Corporativo*) issued by Mexico's Business Coordinating Council (*Consejo Coordinador Empresarial*). Since 2013, we have been listed on the Mexican Stock Exchange (BMV) and the New York Stock Exchange (NYSE) as part of the American Depositary Receipt Level III Program. Our governance practices also are guided by the provisions of these organizations and related regulations.

Corporate Governance Structure



Our key corporate governance bodies include our annual Shareholders' Meeting, Board of Directors, and its two standing committees: the Audit Committee and the Corporate Governance Committee.



OWNERSHIP STRUCTURE AND SHAREHOLDERS’ RIGHTS

Our capital stock was divided into two series of shares, Series A and Series B.

Series A shares

Series A shares are common shares and may be owned directly only by Mexican individuals or entities wholly owned by Mexican individuals. Mexican holders of Series A shares are entitled to vote on all matters. Non-Mexican investors are entitled to hold Series A shares only through Certificados de Participación Ordinarios (CPOs) (including CPOs in the form of American Depositary Shares or ADSs), which will give holders economic rights but not voting rights. The Series A shares underlying the CPOs and the CPOs underlying the ADSs are voted by the trustee issuing the CPOs in the same manner as a majority of the votes of the Series A shares cast at the relevant Shareholders’ Meeting in all circumstances.

Series B shares

Series B shares are common shares and may be purchased by Mexican or non-Mexican individuals or entities. Series B shares may be convertible at any time into Series A shares and may not represent more than 49% of our outstanding capital stock. Holders of Series B shares are entitled to vote on all matters.

On November 22, 2023, the holders of all our outstanding Series B shares converted their Series B shares into Series A shares represented by CPOs in the form of the corresponding ADSs. Therefore, there are no longer any Series B shares issued.

Both series of shares are entitled to one vote per share. No restricting voting rights are granted. As of December 2024, our outstanding capital stock consists of 1,165,976,677 Series A shares.

None of our shareholders holds more than 5% of our voting rights, including governmental institutions. Any acquisition of our Series A shares, whether directly or through the

purchase of ADSs or CPOs, that results in beneficial ownership of 5% or more of our outstanding capital stock requires prior approval from our Board of Directors. Due to its ADSs positions, the following shareholder owns over 5% of our shares as of April 2025:

	Common Stock	
	Series A Shares Number	Percentage
>5% Shareholders:		
Funds managed by Indigo ³⁶	212,575,660	18.2%

For more information about our capital stock and shares, please refer to Item 10 “Additional Information”, in our latest Form 20-F.

³⁶ Consists of 135,974,070 Series A shares (deposited in the CPO trust) held by Indigo LatAm LP, 4,229,270 Series A shares (deposited in the CPO trust) held by Long Bar LatAm, LLC, 178,220 Series A shares (deposited in the CPO trust) held by Long Bar LatAm II LP, 30,000,000 Series A shares (deposited in the CPO trust) held by Indigo Mexico LLC, and 42,194,100 Series A shares (deposited in the CPO trust) held by Indigo Mexico Cöoperatief U.A. William A. Franke is the managing member of a fund that is the general partner of Indigo Mexico Cöoperatief U.A. and is manager of the funds of Long Bar LatAm, LLC, Indigo LatAm LP, Long Bar LatAm II LP, and Indigo Mexico LLC, and as such, he has voting and dispositive power over these shares. Mr. Franke disclaims beneficial ownership of the shares held by these entities except to the extent of any pecuniary interest therein. Indigo Mexico Cöoperatief U.A. has a principal business address at Schiphol Boulevard 231, 1118 BH Amsterdam, Netherlands. All other entities listed herein, whose shares are beneficially owned by Indigo, have a principal business address at: 2525 East Camelback Road, Phoenix, AZ 85016.

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SHAREHOLDERS' MEETING

The Shareholders' Meeting is the highest governance body at Volaris. The Meetings are led by the Chairman of the Board of Directors. In the absence of the Chairman, the Meetings are led by the person designated by the majority vote of the shareholders in attendance.

To attend a Shareholders' Meeting, shareholders must be either registered in the stock registry, present evidence of the deposit of their certificates with a financial institution, deposit them with our Secretary, or present certificates issued by the custodian of the holder of our Series A shares along with a certification from Indeval (Mexican Securities Custodian). Investors holding our CPOs may not vote nor cause the underlying Series A shares to be voted by the CPO trustee.

Shareholders' Meetings may be classified as either General Ordinary Shareholders' Meetings or General Extraordinary Shareholders' Meetings.

General Ordinary Shareholders' Meetings, called to discuss any issues not reserved for extraordinary meetings and **are held at least once a year** during the first four months following the end of each fiscal year to:

- Approve financial statements for the preceding fiscal year.
- Discuss and approve the Audit Committee and Corporate Governance Committees' annual reports and determine how to allocate net profit from the preceding year (including, if applicable, the payment of dividends).
- Elect/re-elect Directors.
- Appoint the Chairman of the Audit Committee and the Chairman of the Corporate Governance Committee.
- Approve any increase or decrease in the variable portion of our capital

stock and the issuance of the corresponding shares.

- Approve the Chief Executive Officer's annual report, along with the report and opinion of the Board of Directors.
- Determine the maximum amount of resources allocated to share repurchases.
- Approve any transaction representing 20% or more of our consolidated assets during any fiscal year.

A quorum of 51% of the outstanding capital stock is required for General Ordinary Shareholders' Meetings, and resolutions may be taken by a majority of the capital stock represented therein. If the attendance quorum is not met on the first call, a subsequent meeting may be called, the attendance quorum of which is also 51% of the outstanding capital stock and resolutions may be taken by a majority of the capital stock represented at such meeting.





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General Extraordinary Shareholders' Meetings are those called to consider:

- An extension of our corporate term or voluntary dissolution.
- An increase or decrease in the fixed portion of our capital stock and the issuance of the outstanding stock.
- Issuance of shares for purposes of a public offering.
- Any change in our corporate purpose or nationality.
- Any merger or transformation into another type of company.
- Any issuance of preferred stock.
- The redemption of shares with retained earnings.
- Any amendments to our By-laws including amendments to provisions addressing change of control.
- Any other matters provided for by law or our By-laws.
- The cancellation of the registration of shares at the Mexican National Securities Registry.

Except as described below, the attendance quorum for General Extraordinary Shareholders' Meetings is required to be at least 75% of the holders of outstanding capital stock. If an attendance quorum is not met on the first call, a subsequent meeting may be called, at which at least 51% of the capital stock holders must be represented. In either case, approval of resolutions requires that shareholders representing at least 50% plus one of the shares of outstanding capital stock vote in favor, except for resolutions in regard to the cancellation of the registration of shares at the Mexican National Securities Registry, which requires that at least 95% of the outstanding capital stock holders vote in favor.

A special Shareholders' Meeting, comprising the holders of a single class of shares, may be called if an action is proposed that may only affect that class. The quorum for a Special Meeting of Shareholders and the vote required to pass a resolution at a special Series B Shareholders' Meeting are identical to those required for Extraordinary Meetings of Shareholders, except that the calculations are based on the number of outstanding Series B shares.

Shareholders may request the approval of certain resolutions at Ordinary and Extraordinary Shareholders' Meetings while complying with attendance and voting requirements. Holders of our shares will not have cumulative voting rights.

Pursuant to the Mexican Securities Market Law and the Mexican Corporations Law, our By-laws include minority shareholder protections. These minority protections include provisions that permit:

Holders of at least 10% of our outstanding capital stock to:

- Request a call for a Shareholders' Meeting.
- Request that resolutions with respect to any matter on which they were not sufficiently informed be postponed.
- Appoint one member and one alternate member of our Board of Directors.

Holders of 20% of our outstanding capital stock may oppose any resolution adopted at a Shareholders' Meeting and file a petition for a court order to

suspend the resolution temporarily, within 15 days following the adjournment of the meeting at which the action was taken, provided that (i) the challenged resolution violates Mexican law or our By-laws; (ii) the opposing shareholders neither attended the meeting nor voted in favor of the challenged resolution, and (iii) the opposing shareholders deliver a bond to the court to secure payment of any damages that we may suffer as a result of suspending the resolution, in the event that the court ultimately rules against the opposing shareholder.

Holders of 5% of our outstanding capital stock may initiate a shareholder derivative suit against some or all our Directors for violations of their duty of care or duty of loyalty, for the benefit of Volaris, in an amount equal to the damages or losses caused to us. Actions initiated on these grounds have a five-year statute of limitations.

For more information on Shareholders' Meetings and shareholders rights, please check our By-laws  or our latest 20-F.



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BOARD OF DIRECTORS

According to our By-laws and the applicable law, the members of the Board of Directors and of any of the committees have the following fiduciary duties:

Act with duty of care:

- Act in good faith and in the best interest of the Company.
- Request reasonable information for decision-making.
- Request management and/or external auditors to attend meetings on and contribute to decision-making.
- Keep confidentiality regarding the information submitted.
- Postpone a meeting when a Director has not been summoned.
- Deliberate and vote in the presence of the rest of the Directors and the Secretary of the Board of Directors.

Conduct themselves with duty of loyalty:

- Disclose any conflict of interest, and refrain from participating in and being present for the deliberation of and voting on of said matters by the Board of Directors.
- Refrain from using the Company's confidential information for their benefit or that of a third party.
- Refrain from exploiting or taking advantage of business opportunities that correspond to the Company for their benefit or for that of third parties, including those that are involved in the ordinary course of Company business.

The management of the business and assets is vested in the Board of Directors and the President and CEO. The Board of Directors not only establishes the guidelines and oversees compliance, but also sets the general strategy for the management of the Company.

By recommendation of the corresponding committee, the Shareholders' Meeting annually selects by a voting majority the members of the Board of Directors, its Chairman and the Chairman of its committees. **The Board of Directors must be composed of a maximum of 21 members, of whom at least 25% must be independent, under the Mexican Securities Market Law.** An alternate Director may be appointed for each principal Director, provided that they also are independent.

Members of the Board of Directors are appointed or elected, and independent members are appointed or their designation ratified, at the General Ordinary Shareholder's Meeting.

The Annual General Ordinary Shareholders' Meeting of the Company appoints or ratifies the designation of the Independent Directors; moreover, all our Independent Directors annually deliver a written statement to the Company asserting their independence in accordance with the Mexican Securities Market Law.

Moreover, members may remain in office for one year and may be re-elected or removed at any time.

Directors may or may not be shareholders. In no event can a person who has been an external auditor of the Company or its subsidiaries become a Director of the Company.



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The members of the Board of Directors must carry out their duties to create value for the Company's benefit, without favoring a particular shareholder or group of shareholders. They must comply with various obligations, including:

- The Company's overall strategy, including ESG matters.
- Overseeing our operations and those of our subsidiaries.
- Summoning a Shareholders' Meeting and execute its resolutions.
- Annually submitting to the Shareholders' Meeting (i) the President and CEO's report, and (ii) the Board of Director's opinion about the report of the President and CEO.
- Approving with the prior opinion of the Audit or Corporate Governance Committee, on a case-by-case basis: (i) related party transactions, subject to certain limited exceptions; (ii) the appointment, election and where appropriate, dismissal of our President and CEO and their comprehensive compensation and removal, as well as the policies for the appointment and comprehensive

compensation of other Senior Management members; (iii) our guidelines on internal control and internal audit, including those of our subsidiaries; (iv) our policies of accounting; (v) our financial statements and those of our subsidiaries; (vi) operations considered unusual or nonrecurring as well as any operations that are executed, either simultaneously or successively, in the period of a fiscal year that involve: (a) the acquisition or disposal of goods with a value equal to or greater than 5% of our consolidated assets, or (b) the granting of guarantees or the assumption of liabilities for a total amount equal to or greater than 5% of our consolidated assets; and (vii) the election of external auditors.

- Approving the creation of special committees and ensure or guarantee the authority of such committees, provided that such committees will not have those powers expressly vested to our shareholders or the Board of Directors in accordance with our By-laws.
- Determining the voting power of the shares we hold in our subsidiaries and our disclosure policies.

The meetings of our Board of Directors, according to the By-laws, will be validly convened and held if a majority of the members or their respective alternates are present. The meetings may be held in person or using electronic, optical, or any other technological means or in a mixed format, as if they were in-person meetings, both having the same legal effect. The agreements adopted in said meetings will be valid if they are approved by a majority of the Directors without any conflict of interest regarding the matters discussed. In the event of a tie, the Chairman of the Board of Directors will not have a tie-breaking vote. Meetings of our Board of Directors may be convened by (i) 25% of the members of our Board of Directors; (ii) the Chairman of our Board of Directors; (iii) the Chairmen of the Audit or the Corporate Governance Committees, and (iv) the Secretary of our Board of Directors.

Per our adherence to the Code of Principles and Best Practices of Corporate Governance, our Board members must attend at least 70% of the meetings to which they are called during the year.

Additionally, in December 2024, the Board of Directors conducted a self-assessment questionnaire to assess its strengths and opportunities. The Board's self-assessment includes the following: management of board meetings and discussions, attendance, channels of communications, chairman leadership, succession planning, induction and advance training, and oversight of sustainability, among others.

Follow-up actions were implemented to address the observations and recommendations identified during the self-assessment process.



In 2024, the Board of Directors met five times, with an attendance rate of 94%.

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Definition of Director Independence

In Mexico, the Securities Market Law and the Code of Principles and Best Practices of Corporate Governance specify that the following persons cannot be considered independent:

- Active employees or directors of the Company, including statutory examiners.
- Former employees or directors, if a 12-month waiting period has not passed before their appointment.
- If not an employee or director, a person with significant influence or decision-making power over the Board of Directors.
- An external adviser, partner, or employee of consultants who advises the Company or its affiliates and their total income significantly depends on this contractual relationship.
- Clients, suppliers, creditors, or debtors of the Company, or an employee of an important client, supplier, creditor, or debtor.
- Employees of non-income organizations, universities, and NGOs that receive important donations or sponsorship from the Company.
- A general manager, director, or high-level executive of a company whose Board of Directors is formed by directors of the Company.
- Persons with a family relationship with any of the above, whereby their independence can be undermined.

For publicly traded companies like Volaris, the Securities Market Law also provides that a shareholder forming part of a controlling group of shareholders is not considered an Independent Director.



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Board Composition

As of the date of our latest General Ordinary Shareholders' Meeting, held on April 28, 2025, **Volaris' Board of Directors comprises 13 proprietary members**; of these, **69% are independent** (nine proprietary), as defined by Mexican Securities Market Law and Exchange Act Rule 10A-3.

In addition, **15% of the members are women** (two proprietary Independent Directors) and 85% of the members are men (seven of whom are independent Directors). **The average tenure of our Directors is 9.8 years**, and **none of the members of our Board of Directors serves on three or more other public boards**.

Our Board includes Directors with various perspectives, skills, and experiences, as we believe this enriches discussions and enhances strategic planning. We aim to consider a wide variety of factors in assessing how director candidates may contribute to the overall range of relevant experiences on the Board. Our goal is to promote a balanced Board composition that reflects the dynamic nature of our global business environment.



The role of the Chairman of the Board of Directors and the President and CEO is divided. Mr. Brian H. Franke serves as Chairman, as a non-executive and as a non-independent Director and, in these roles, he brings significant experience in the air transportation industry and knowledge to our Company. **The independence of our Board of Directors is maintained through a balanced composition of independent Directors who assist in objective decision-making and robust governance.**

Mr. Enrique J. Beltranena, also a non-independent Director, acts as Volaris' President and CEO, providing strong leadership and strategic direction.

Also, William A. Franke served as a Board member from 2010 to 2023. Since then, he has been appointed as an honorary Director, a role that does not involve a vote in the Board of Directors' decisions.

Further details on the Board of Directors composition as of the date of this Report are listed below:

Chart 1: Board of Directors’ composition³⁷

\$ Financial Experience

I Industry Experience

R Risk Experience

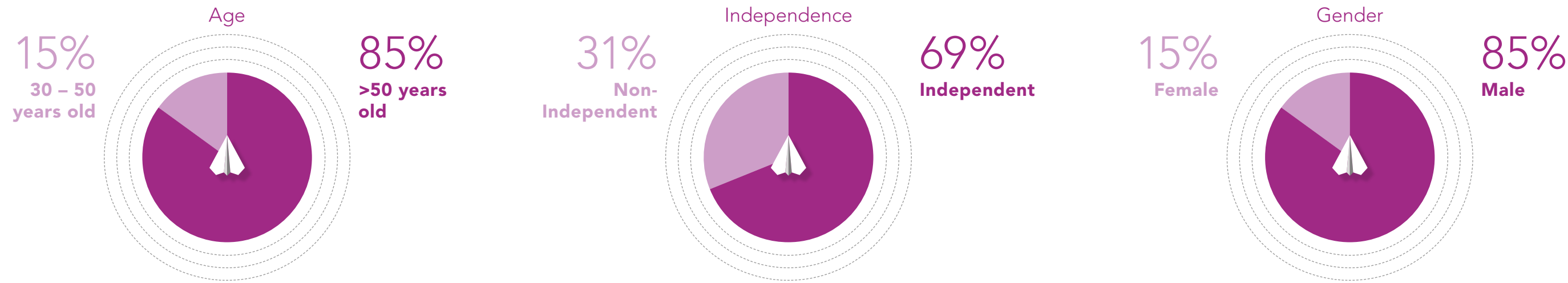
CEO Chief Executive Officer

COB Chairman of the Board

E CEO at Volaris

	Gender	Age	Years of Tenure	Other Boards (Total)	Other Publicly Traded Company Boards	Independence ³⁸	Related Party Transactions ³⁹	% of Share Ownership	Country of Nationality
Brian Franke COB I \$	M	61	15	4	2	No	Yes	0.2646	United States of America
Andrew Broderick I \$	M	41	2	5	2	No	Yes	0.0013	United States of America
Harry Krensky \$	M	61	19	9	1	Yes	Yes	0.5705	United States of America
Marco Baldocchi Kriete CEO	M	51	5	1	0	No	No	0.1604	El Salvador
Stanley Pace R	M	71	8	1	0	Yes	No	0.0142	United States of America
William Dean Donovan I	M	63	8	4	0	Yes	No	0.0187	United States of America
Enrique J. Beltranena Mejicano \$ I E R	M	62	9	0	0	No	No	1.0506	Mexico
José Luis Fernández Fernández \$	M	66	13	3	2	Yes	Yes	0.0059	Mexico
Joaquín Alberto Palomo Déneke I \$ R	M	74	19	3	1	Yes	Yes	0.0034	El Salvador
John Slowik \$ R	M	74	13	3	0	Yes	No	0.0100	United States of America
Ricardo Maldonado Yáñez	M	57	7	2	1	Yes	Yes	0.0054	Mexico
Guadalupe Phillips Margain CEO \$ R	F	54	5	7	2	Yes	No	0.0049	Mexico
Mónica Aspe Bernal CEO	F	47	5	2	1	Yes	No	0.0030	Mexico

Board Composition Summary



³⁷ The Individual board member skills self-evaluation, applied in December 2024, was redesigned to align with best practices and improve the accuracy in identifying the Directors’ areas of expertise.
³⁸ In accordance with the requirements of the Mexican Securities Market Law.
³⁹ Please refer to our latest 20-F for more detail on the transactions.

Brian H. Franke

Chairman

Brian H. Franke has served as a member of our Board of Directors since 2010 and as Chairman of our Board of Directors since 2020. He is currently a principal specializing in aviation investments with Indigo Partners LLC, a private equity firm based in the United States. Mr. Franke is also a member of the board of directors of Frontier Airlines, JetSMART Airlines, APiJET, and Cebu Pacific Air. He previously served on the board of directors of Tiger Airways Holdings (Singapore) from 2008 to 2010 and Tiger Airways Australia from 2009 to 2010. Prior to that, Mr. Franke was vice president of Franke & Company Inc., a boutique private equity firm focused on small and medium enterprises investments. He was also a director in marketing for Anderson Company, a U.S. real estate developer, from 1989 to 1992 and a marketing manager for United

Brands Inc., a U.S. distribution and licensing company for consumer goods, from 1987 to 1989. Mr. Franke holds a B.S. in Business from the University of Arizona and a M.A. in International Management from Thunderbird School of Global Management. He also serves on the University of Arizona Foundation Board and participates in its Investment and Executive Committees.

Andrew Broderick

Director

Andrew Broderick has served as a member of our Board of Directors since 2023. Mr. Broderick is the Managing Director of Indigo Partners LLC, a private equity fund focused on air transportation, which he joined in July 2008. He has served on the board of directors of Frontier Airlines Holdings, Inc., an airline based in the United States, since January 2018, JetSMART Airlines SpA, an airline based in Chile, since September 2018, Wizz Air Holdings Plc, an airline based in Europe, since April 2019, APiJET, LLC, a software company focused on providing real-time cost-saving analytics to airlines, since November 2020, and CleanJoule Inc., a sustainable aviation fuel development company, since May 2023. Additionally, Mr. Broderick serves on various committees of these companies, including finance, sustainability and

culture, safety and security, and compensation committees. Prior to joining Indigo, Mr. Broderick was employed at a macroeconomic hedge fund and a stock-option valuation firm. Mr. Broderick holds a BS in Economics and a BA in Spanish from Arizona State University and a Master of Business Administration from the Stanford Graduate School of Business.



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Harry F. Krensky

Independent Director, Corporate Governance Committee (Member)

Harry F. Krensky is a co-founder of the Company and has served as a member of our Board of Directors since our establishment in 2005 and member of our Corporate Governance Committee since 2023. He is also a member of the board of directors of Traxión, MasAir, Merited, and Kidzania. Mr. Krensky is founder and managing partner of the private equity firm Discovery Americas, through which he evaluates risk and opportunities of investment decisions. Previously, he was a founder of emerging market hedge fund managers Discovery Capital Management and Atlas Capital Management, and a founder of Deutsche Bank’s emerging market hedge fund. Mr. Krensky holds a B.A. in Government from Colby College, a MSc from the London School of Economics and Political Science and an MBA from the Columbia University Graduate School of Business.

Marco Baldocchi Kriete

Director

Marco Baldocchi Kriete has served as a member of our Board of Directors since 2020, previously serving as an Interim Director since July 2019. Previously serving as our Alternate Director since 2010. Mr. Baldocchi currently serves as chief executive officer of Dollarcity , a high-growth retail company operating more than 600 locations in Central America, Colombia, and Peru. Mr. Baldocchi was an independent director of Avianca Holdings, S.A. (formerly Avianca Taca Holdings, S.A.) from 2010 to 2014. He was a founding member of Transactel Inc. and a member of the board of directors of Banco Agricola from 2003 to 2007. He also served on the boards of other aviation-related companies, such as Aeromantenimiento in El Salvador. Mr. Baldocchi holds an MBA from the Kellogg School of Management and a Bachelor’s Degree in Economics from Vanderbilt University.

Stanley L. Pace

Independent Director

Stanley L. Pace has served as a member of our Board of Directors since 2017. He is a partner at Bain & Company where he has served as a member and chair of most of its key governance board of directors. Mr. Pace was the founder of the transformation and airline practices at Bain & Company and has led many of its largest and most successful relationships and transformations. Mr. Pace served as the chief executive officer of ATA from 1996 to 1997, at that time, ATA was the largest charter airline in the world. Mr. Pace holds a B.A. in Accounting and Finance from University of Utah-BYU, where he graduated as valedictorian, and an MBA from Harvard Business School, where he graduated with high distinction.



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William Dean Donovan

Independent Director

William Dean Donovan has served on our Board of Directors since 2010, first as an Alternate Director and then as a Full Director starting in 2017. In 2009, Mr. Donovan joined the board of Prophet Brand Strategy, a marketing consultancy. At Prophet, he sits on the compensation committee and chaired the capital committee, which provided board oversight for the recapitalization of the company. He served on the board of the Metropolitan Bank from 2008 to 2015, where he chaired the compensation committee. He co-founded Volaris in 2005. Mr. Donovan worked with Bain & Company from 1989 to 2003. He was Managing Director of Bain Africa from 1999 to 2002, worked with aerospace clients, and led Bain's aviation practice and auto practice at various times. Mr. Donovan co-founded Casino Marketing Alliance, a provider of analytics services to the casino industry. Mr. Donovan has served as COO of Nimblefish Technologies, a specialized micromarketing agency and as CEO of SearchForce, a paid search workflow and optimization platform. Mr. Donovan currently leads DiamondStream Partners,

an investment firm that specializes in aviation and aerospace technology. In this role, he assists companies focused on mid-mile freight, electric and hybrid electric propulsion, aircraft maintenance, revenue management, fleet management, irregular operations, unmanned aircraft, aerial inspection, drones, and the energy transition. He sits on the board or advises the following aviation and aerospace companies GPMS, Verdego Aero, Ampaire, Wingtra, Stellar Labs, SwissDrones, and Volantio. He has previously served as chairman and on the compensation committee of Stellar Labs. He is a frequent speaker on the future of aviation and aerospace. Mr. Donovan holds a B.A. in Rhetoric and Economics from the University of California Berkeley, where he graduated Phi Beta Kappa and Summa Cum Laude, and an MBA from the Wharton School of the University of Pennsylvania.

Enrique J. Beltranena Mejicano

Director and President & Chief Executive Officer (CEO) of Volaris

Enrique J. Beltranena Mejicano is one of our co-founders. He has served as our President and Chief Executive Officer since 2006 and as a Member of our Board of Directors since 2016. Mr. Beltranena began his career in the aerospace industry in 1988. Mr. Beltranena played a key role in the commercial integration of Aviateca, Sahsa, Nica, Lacs, TACA International, and TACA Peru, consolidated them into a single management entity known as Grupo TACA. He also led the implementation of a unified operating codeshare system and negotiated open skies bilateral agreements between Central American countries and the United States. In addition, he supported the certification process of aviation authorities in both Central America and Mexico, ensuring compliance with ICAO regulations.

In 2009, Mr. Beltranena received the Federico Bloch Award from the Latin American & Caribbean Air Transport Association. He was named Mexico's Entrepreneur of the Year by Ernst & Young in 2011 and was inducted into the Ernst & Young Entrepreneur of The Year Hall of Fame the following year. In 2014, he was

honored with the National Order of Merit (Knight's Badge) by the President of France. In 2017, he was involved in one of the largest joint negotiations for the purchase of single-aisle aircraft with Airbus and served as President of the Board of Directors of one of the largest business school and universities-IPADE-UP in Mexico.

Since 2021, Mr. Beltranena has served on the IATA Board of Directors as one of only three Latin American representatives. His ongoing service reflects his strong advocacy on key industry issues, his effective representation of member interests, and his active engagement in board deliberations.

Mr. Beltranena is widely recognized for his philanthropic activities, including supporting the construction of a Catholic church in Santa Fe, Mexico, advancing women's rights, and championing the protection of children and adolescents from human trafficking. His unwavering commitment to the well-being of Volaris Ambassadors is deeply appreciated by his team, and his leadership continues to inspire those around him.

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José Luis Fernández Fernández

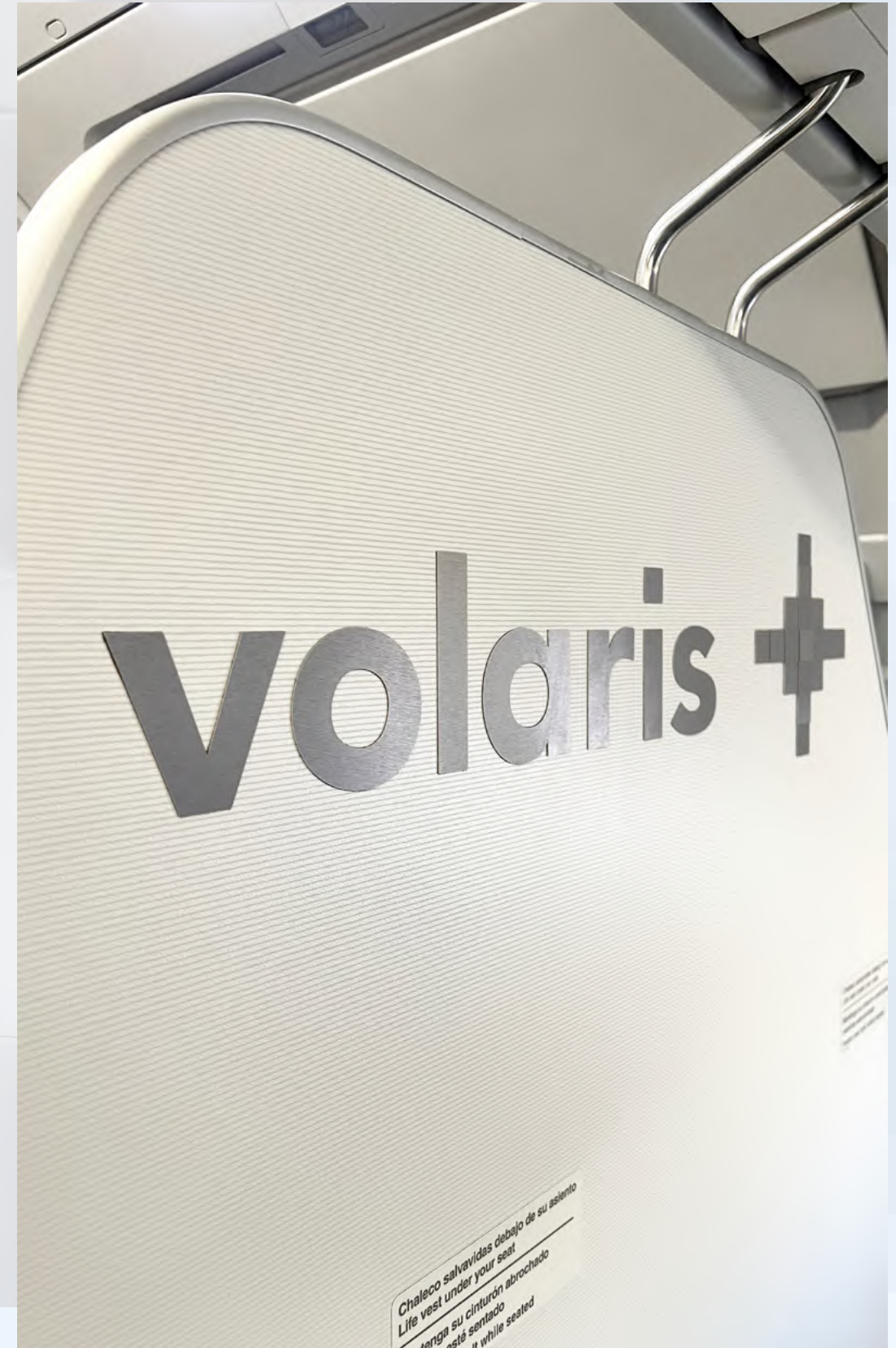
Independent Director,
Audit Committee (Chairman)

José Luis Fernández Fernández has been one of our Independent Directors since 2012 and is also the Chairman of our Audit Committee. Mr. Fernández is also a member of the audit committees of several companies including Grupo Televisa, S.A.B. de C.V., and he is also an alternate member of the board of directors of Arca Continental, S.A.B. de C.V. Mr. Fernández is a non-managing limited partner of Chevez Ruiz Zamarripa. Mr. Fernández holds a Public Accounting Degree (*Licenciatura en Contaduría*) from *Universidad Iberoamericana* and a certification issued by the Mexican Institute of Public Accountants. Mr. Fernández participated in the "Director Development Program" offered by the Center of Excellence in Corporate Governance and the Mexican Stock Exchange, as well as in the "Introduction to the Stock Market" course offered by the same institution. In addition, he attended the "Corporate Governance and Performance Program" organized by the Yale University School of Business.

Joaquín Alberto Palomo Déneke

Independent Director,
Audit Committee (Member)

Joaquín Alberto Palomo Déneke has served as a member of our Board of Directors since 2005 and as a member of our Audit Committee. He is also a member of the board of directors of Aeroman and of Banco Agrícola in El Salvador. Mr. Palomo has over two decades of experience in the financial air transportation and commercial aerospace sectors, assessing financial and operational risks, where he created and implemented the first organization for Grupo TACA. He also actively participated in the planning, purchasing negotiations, closing, organization, and final merger of AVIATECA, Tan/Sahsa, TACA de Honduras, Nica, Lacsa, Isleña de Inversiones, La Costeña, Aeroperlas, and Trans American Airlines to form Grupo TACA. Mr. Palomo has negotiated the financing of more than U.S. \$1 billion in aircraft leases, sales, and leasebacks. Mr. Palomo holds a B.S. in Agricultural Economics from Texas A&M University.





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John A. Slowik

Independent Director, Audit Committee (Member)

John A. Slowik has served as a member of our Board of Directors and as a member of our Audit Committee, since 2012. Prior to joining our board, Mr. Slowik has had over three decades of experience in the air transportation and commercial aerospace sectors as a banker at Citi (and its predecessors) and Credit Suisse, where he managed its America’s airline industry investment banking practice. Mr. Slowik’s experience includes corporate and investment banking, where his activities involved financial risk assessment, public and private market capital raising, highly structured debt issuance, aircraft leasing, principal investment, mergers and acquisitions advisory work, and restructuring troubled situations in and out of court. His cross-cultural experiences include managing teams of bankers and professionals while executing various transactions for clients

in Central and South America, North America, Western Europe, the Middle-East, and the Asia and Pacific regions. Mr. Slowik is also a member of the board of directors and chairman of Turbine USA LLC, a private commercial jet engine leasing company operating out of Ireland and the United States. He is also an alternate director of Rotor Engine Securitization Ltd., a private commercial jet engine leasing company operating out of Ireland. Mr. Slowik serves as a senior advisor to Volofin Capital Management Ltd., a specialty finance company focused on delivering innovative financing solutions for the commercial aviation market. He is a licensed, but now inactive private pilot. Mr. Slowik has a B.S. in Mechanical Engineering from Marquette University and an MBA from the Kellogg School of Management at Northwestern University.

Ricardo Maldonado Yáñez

Independent Director, Corporate Governance Committee (Chairman)

Ricardo Maldonado Yáñez has been member of our Board of Directors since 2018 and is also the Chairman of our Corporate Governance Committee since 2023. He is a partner at the law firm of Mijares, Angoitia, Cortés y Fuentes, S.C., since 1999. Mr. Maldonado has been involved in the aviation industry for two decades in different roles, including a secretary of the board of Mexicana de Aviación, board member of Grupo Aeroportuario del Centro Norte (OMA), as well as counsel of the Mexican Ministry of Communications and Transportation in OMA’s initial public offering and certain M&A transactions related to Grupo Aeroportuario del Sureste (ASUR). Mr. Maldonado focuses his practice in M&A, securities and corporate governance matters, and is a member of the board of ICA, one of Mexico’s largest construction and engineering companies. Mr. Maldonado

is a member of the National Association of Corporate Directors and of the International Corporate Governance Network (ICGN). Mr. Maldonado recently attended the “Chief Sustainability Officer Acceleration Program” in collaboration with the BIVA Institute and the Social Value Institute in 2023. He has an LL.M. from the University of Chicago Law School, a corporate law diploma from the *Instituto Tecnológico Autónomo de México* (ITAM) and a lawyer’s degree from the *Universidad Nacional Autónoma de México* (UNAM).

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Guadalupe Phillips Margain

Independent Director

Guadalupe Phillips Margain has served as a member of our Board of Directors since 2020. She is the chief executive officer of ICA Tenedora, S.A. de C.V., and a member of the board of directors. She previously worked in Grupo Televisa where she was vice president of Finance and Risk and served in other positions. Ms. Phillips serves as member of the board of directors of several companies including Grupo Televisa, Grupo Axa, AUNA, Openbank, and Club de Industriales. Ms. Phillips holds a Law Degree (*Licenciatura en Derecho*) from the *Instituto Tecnológico Autónomo de México* (ITAM), a M.A.L.D. (Master of Arts in Law and Diplomacy), and a Ph.D. from The Fletcher School of Law and Diplomacy, Tufts University.

Mónica Aspe Bernal

Independent Director, Corporate Governance Committee (Member)

Mónica Aspe Bernal has served as a member of our Board of Directors since April 2020 and is a member of our corporate governance committee. She is the chief executive officer of AT&T Mexico and serves in the boards of Nemark and Banco Nacional de México S.A. She previously was Mexico's Ambassador to the OECD. She served as Vice-Minister in the former of Communications in the Ministry of Communications and Transportation. Ms. Aspe holds a B.A. in Political Science from *Instituto Tecnológico Autónomo de México* (ITAM) and an MA in Political Science from Columbia University.

OUR COMMITTEES AND WORKING GROUPS



Our Board of Directors is supported by Committees that focus on specific matters concerning the Company and issue recommendations to the Board of Directors.

Our Committees

AUDIT COMMITTEE

The Mexican Securities Market Law requires us to have an audit committee, which must be composed of at least three independent directors. We believe that all the members of the Audit Committee are independent as defined by Mexican Securities Market Law and Exchange Act Rule 10A-3.

The Audit Committee’s principal duties are to:

- Call Shareholders’ Meetings and request the inclusion of matters on the agenda.
- Supervise and evaluate our external auditors and analyze their reports (including their opinion of our annual report).
- Analyze and supervise the preparation of our financial statements and, make recommendations to the Board of Directors about their approval.
- Inform the Board of Directors of the status of our internal controls, our internal audit, and their adequacy.

- Supervise the execution of related party transactions and other transactions representing 20% or more of our consolidated assets, as required by applicable law.
- Render its opinion to the Board of Directors regarding transactions with related parties.
- Request reports from our executive officers or independent experts whenever it deems appropriate.
- Investigate and inform the Board of Directors of any irregularities that it may encounter.
- Receive and analyze recommendations and observations made by the shareholders, members of the Board of Directors, executive officers, or any third party, and take the necessary actions.
- Supervise the President and CEO’s compliance with instructions provided by our Board of Directors or shareholders.
- Provide an annual report to the Board of Directors with respect to accounting policies and their sufficiency, adequacy, and consistency.

- Request opinions from independent third-party experts.
- Assist our Board of Directors in the preparation of reports for the Annual Shareholders’ Meeting.
- Hire or recommend auditors to shareholders and approve them.

As of the date of this Report, the Audit Committee is composed of three Independent Directors. The members of this Committee are:



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CORPORATE GOVERNANCE COMMITTEE

The Mexican Securities Market Law requires us to have a corporate governance committee, composed of at least three independent directors. We believe that all the members of the Corporate Governance Committee are independent as defined by Mexican Securities Market Law and Exchange Act Rule 10A-3.



The Corporate Governance Committee's principal duties are to:

- Call Shareholders' Meetings and request the inclusion of matters on the agenda.
- Supervise and report on the performance of our President and CEO and render opinions to the Board of Directors regarding his nomination, election, removal, compensation, and related policies.
- Supervise and report on the performance of our officers to the Board of Directors and render opinions to the Board of Directors regarding their nomination, election, removal, compensation, and related policies.
- Submit proposals to the Board of Directors relating to the nomination or removal of officers within the first two corporate levels.
- Propose the remuneration schemes of the first four corporate levels of the Company or those determined by it, for approval by the Board of Directors.
- Assist our Board of Directors in the preparation of reports for the Annual Shareholders' Meeting.
- Consult with third-party experts in connection with any issues related to compensation, organizational development, and other related matters.
- Propose to the Board of Directors the adoption, modification, or termination of any incentive plan for employees of the Company.
- Propose to our Board of Directors the entering into, amendment, or termination of any collective bargaining agreements.
- Inform our Board of Directors of relevant labor contingencies.
- Provide an annual report to the Board of Directors with respect to corporate governance and nomination and compensations matters.

As of the date of this Report, the Corporate Governance Committee is composed of three Independent Directors. The current members of this Committee are:

Ricardo Maldonado Yáñez

Chairman and Independent Director

Mónica Aspe Bernal

Independent Director

Harry F. Krensky

Independent Director

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Our Working Groups

Volaris has eight working groups that report to the Audit and/or the Corporate Governance Committee, or directly to the Board of Directors.



ETHICS WORKING GROUP

The Ethics Working Group meets quarterly. Its main responsibilities are as follows:

- Promoting an ethics and compliance culture within the organization.
- Periodically reviewing and updating the standards of good business practices, and those outlined in the Volaris Code of Ethics.
- Providing guidelines to the organization to ensure that operating procedures comply with the Volaris Code of Ethics.
- Overseeing compliance with the Volaris Code of Ethics and resolving any conflicts through timely and effective decision-making.
- Ensuring that all reports of deviations and non-compliance of the Volaris Code of Ethics received through the Volaris Ethics Line platform are addressed in a timely manner.

- Reviewing and analyzing alleged controversies, conflicts of interest, and other Volaris Code of Ethics breaches.

- If required, propose sanctions and validate corrective action plans related to breaches of the Volaris Code of Ethics.

The Ethics Working Group comprises the President and CEO, CLO, CFO, Senior Corporate Audit Services and Risk Assessment Director, Talent and Human Resources Senior Director, and Compensations and Organizational Development Director.

The Ethics Working Group reports to the Audit and Corporate Governance Committees, which in turn report to the Board of Directors on the most relevant aspects of the Company's ethics for their awareness and approval.



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IT AND CYBERSECURITY WORKING GROUP

The IT and Cybersecurity Working Group meets at least quarterly. Its primary duties include:

- Monitoring and discussing global cybersecurity and data protection trends.
- Analyzing both historical and current incidents, and reviewing the measures taken in response.

- Reviewing the cybersecurity and data protection strategy including future actions.

The Working Group includes Directors William Dean Donovan, Andrew Broderick, and Joaquín A. Palomo Déneke, along with external adviser Jonathan Murray. It is supported by the President and CEO; Executive Vice President, Airline Commercial and Operations; CFO; CLO; CCASO; Senior Director of Financial Planning and Controllershship; Senior Director of

Technology and Corporate Transformation; Director of Marketing and Digital; Director of Corporate Legal and Securities Compliance; Director of CCO, Applications, and Fuel; IT Senior Manager; Transformation Senior Manager, and IT Security Manager.

The Working Group reports to the Audit Committee, which in turn reports to the Board of Directors on key IT and cybersecurity matters for oversight and approval.

SUSTAINABILITY WORKING GROUP

The Sustainability Working Group meets, at least every quarter. Its primary duties are as follows:

- Procure the implementation and performance of the Corporate Sustainability Strategy, approved by the Board of Directors.
- Integrate corporate sustainability into Volaris' business strategy, seeking to make it transversal to all business and support areas.
- Keep the management team informed on the recommendation

of relevant decisions about ESG issues, including climate-related risks and opportunities, considering the opinion of our stakeholders.

- Recommend decision-making using the information provided by the ESG Round Table to help improve our management of key ESG topics.

The Sustainability Working Group is comprised of the President and CEO, Executive Vice President of Airline Commercial and Operations, CFO, COO, CLO, CCASO, the Senior Corporate Audit Services and Risk Assessment Director, and other guest directors.

As of February 2024, this working group reports to the Corporate Governance Committee and to the Audit Committee, the latest on a dotted line basis and focused on any sustainability risks that could have a material financial impact on the Company.

These Committees in turn report to the Board of Directors on the most relevant aspects of the Company's ESG matters for their knowledge and approval.





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COMPENSATION AND NOMINATIONS WORKING GROUP

The Compensation and Nominations Working Group meets at least every quarter. Its primary duties are to:

- Supervise and report on the performance of our President and CEO, and render opinions to our Corporate Governance Committee regarding his nomination, election, removal, compensation, and related policies.
- Supervise and report on the performance of our officers to the Corporate Governance Committee and render opinions regarding their nomination, election, removal, compensation, and related policies.
- Submit proposals to the Corporate Governance Committee relating to the nomination or removal of officers within the first two corporate levels.
- Propose remuneration schemes for the first four corporate levels of the Company or those determined by it, for approval of the Corporate Governance Committee.
- Consult with third-party experts on any issues related to compensation, organizational development, and other related matters.

- Propose to the Corporate Governance Committee the adoption, modification, or termination of any incentive plan for employees of the Company.

- Propose to the Corporate Governance Committee the commencement, amendment, or termination of any collective bargaining agreements.

The Compensations and Nominations Working Group comprises our Directors Marco Baldocchi Kriete, Brian A. Franke, and Harry F. Krensky, and reports to the Corporate Governance Committee.

CORPORATE AFFAIRS WORKING GROUP

The Corporate Affairs Working Group meets on an as-needed basis, and its duties are to analyze and advise the Board of Directors on corporate affairs matters. It is composed of our Directors Enrique J. Beltranena Mejicano, Mónica Aspe Bernal, Guadalupe Phillips Margain, and Ricardo Maldonado Yáñez. The Corporate Affairs Working Group reports to the Board of Directors directly.

OPERATIONS WORKING GROUP

The Operations Working Group meets at least every quarter, and its primary duties are to analyze, update, and provide recommendations to the Board of Directors on commercial, operations, and financing matters. It is composed of our Directors Brian H. Franke, Harry F. Krensky, William Dean Donovan, Stanley L. Pace, Marco Baldocchi Kriete, and Enrique J. Beltranena. The Operations Working Group reports to the Board of Directors directly.

FLEET WORKING GROUP

The Fleet Working Group meets at least every quarter, and its primary duties and responsibilities include reviewing and analyzing any aircraft, engine, or fleet-related matters or recommendations from Senior Management. This Working Group ensures that all recommendations are aligned with the Company's strategic, operational, and financial goals before presenting them for approval to the Board of Directors. The Fleet Working Group is composed of our Directors Brian H. Franke, Andrew Broderick, and Stanley L. Pace, as well as Alternate Director Rodrigo Escobar. The Fleet Working Group reports directly to the Board of Directors.

HEDGE WORKING GROUP

The Hedge Working Group meets as needed, and its primary duties are to:

- Define and oversee the implementation of the Hedging Policy by the Company.
- Establish hedge volume limits, hedging instruments and timeframe, and budget for premiums (when applicable).
- Approve hedge targets and execution timing.

It is composed of our Directors Brian H. Franke, Harry F. Krensky, Joaquín Palomo, Andrew Broderick, and Enrique J. Beltranena, as well as Alternate Director Rodrigo Escobar. The Hedge Working Group reports to the Audit Committee.

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SENIOR MANAGEMENT

Our Senior Management is composed as follows:

Name	Name	Name	Name	Name	Name	Name
Enrique J. Beltranena	Holger Blankenstein	Jaime E. Pous	José Luis Suárez	José Alejandro de Iturbide	Jimmy Zadigue	Dionisio A. Pérez Jácome ⁴⁰
Age	Age	Age	Age	Age	Age	Age
62	51	56	57	59	52	58
Title	Title	Title	Title	Title	Title	Title
President and Chief Executive Officer (CEO)	Executive Vice President Airline Commercial and Operations	Chief Financial Officer (CFO)	Chief Operating Officer (COO)	Chief Legal Officer (CLO)	Senior Director of Corporate Audit Services and Risk Assessment	Chief Corporate Affairs and Sustainability Officer (CCASO)



⁴⁰ Dionisio A. Pérez Jácome Friscione, our Chief Corporate Affairs and Sustainability Officer, is not named in Item 6 Directors, Senior Management, and Employees of our annual report on Form 20-F for the year ended December 31, 2024, filed with the SEC on April 30, 2025. However, Mr. Pérez Jácome is named in this Report due to his position's particular relevance to our ESG efforts.



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Enrique J. Beltranena Mejicano

President and Chief Executive Officer (CEO)

Enrique J. Beltranena Mejicano is one of our co-founders. He has served as our President and Chief Executive Officer since 2006 and as a Member of our Board of Directors since 2016. Mr. Beltranena began his career in the aerospace industry in 1988. Mr. Beltranena played a key role in the commercial integration of Aviateca, Sahsa, Nica, Lacs, TACA International, and TACA Peru, consolidated them into a single management entity known as Grupo TACA. He also led the implementation of a unified operating codeshare system and negotiated open skies bilateral agreements between Central American countries and the United States. In addition, he supported the certification process of aviation authorities in both Central America and Mexico, ensuring compliance with ICAO regulations.

In 2009, Mr. Beltranena received the Federico Bloch Award from the Latin American & Caribbean Air Transport Association. He was named Mexico's Entrepreneur of the Year by Ernst & Young in 2011 and was inducted into the Ernst & Young Entrepreneur of The Year Hall of Fame the following year. In 2014, he was

honored with the National Order of Merit (Knight's Badge) by the President of France. In 2017, he was involved in one of the largest joint negotiations for the purchase of single-aisle aircraft with Airbus and served as President of the Board of Directors of one of the largest business school and universities-IPADE-UP in Mexico.

Since 2021, Mr. Beltranena has served on the IATA Board of Directors as one of only three Latin American representatives. His ongoing service reflects his strong advocacy on key industry issues, his effective representation of member interests, and his active engagement in board deliberations.

Mr. Beltranena is widely recognized for his philanthropic activities, including supporting the construction of a Catholic church in Santa Fe, Mexico, advancing women's rights, and championing the protection of children and adolescents from human trafficking. His unwavering commitment to the well-being of Volaris Ambassadors is deeply appreciated by his team, and his leadership continues to inspire those around him.

Holger Blankenstein

Executive Vice President Airline Commercial and Operations

Holger Blankenstein has served as our Executive Vice President Airline Commercial and Operations since 2018, in charge of our commercial, digital, operations, customer service, and maintenance areas. Prior to his current role, Mr. Blakenstein served as Chief Commercial Officer from 2009 to 2017, leading the areas of sales, marketing, planning, itineraries, revenue management, cargo, and leading the IT department. Mr. Blakenstein has been with us since our founding in 2005 and was part of the team that made us public in 2013. From 2003 to 2005, he was director of strategic development at

TACA International Airlines in El Salvador, where he led many key projects, such as the integrated airline systems migration, TACA's maintenance business growth strategy, and the business plan for Volaris. He began his career as a consultant for Bain & Company in 1998 in the Munich office. Mr. Blakenstein transferred to the Sydney office in 2000. He was involved with assignments in the financial services, automotive, and retail industries. Blankenstein holds a B.S. in Business and Economics from Goethe University and an MBA from the University of Iowa.



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Jaime E. Pous Fernández

Chief Financial Officer (CFO)

Jaime E. Pous has served as our Chief Financial Officer since 2021. He previously served as our interim Chief Financial Officer from June 2020. He joined Volaris in 2013 as our General Counsel and served as our Chief Legal Officer and Corporate Affairs Senior Vice President from 2016 to 2020. Additionally, he served as Secretary of our Board of Directors from 2018 to 2022, and as Secretary of our Audit and Corporate Governance Committee from 2013 to 2022. Prior to joining us, he worked at Grupo Televisa, where he was legal director from 1999 to 2012. Mr. Pous holds a Law Degree (*Licenciatura en Derecho*) from the *Instituto Tecnológico Autónomo de México* (ITAM) and an LL.M. from The University of Texas at Austin School of Law.

José Luis Suárez Durán

Chief Operating Officer (COO)

José Luis Suárez has served as our Chief Operating Officer since 2015. He joined Volaris in 2006 as Sales Director. In 2012, he served as Retail and Customer Director, where he supervised airport operations, ramp management, flight attendants, and customer solutions. Prior to joining us, Mr. Suárez worked at Sabre Holdings from 1996 to 2006. Mr. Suárez holds a Bachelor's Degree in Industrial Engineering from the *Universidad Iberoamericana*, a Degree in Executive Management from IPADE Business School, an M.S. in Industrial Engineering, and an MBA from the University of Missouri, Columbia.

José Alejandro de Iturbide Gutiérrez

Chief Legal Officer (CLO) and Secretary of our Board of Directors

José Alejandro de Iturbide has served as our Chief Legal Officer since 2021 and as Secretary of our Board of Directors since April 2022. Mr. de Iturbide served as general counsel, managing director, and secretary of the board of directors of Grupo Financiero Citibanamex, having also served as general counsel in Mexico at General Electric and Barclays Capital, among others. Mr. de Iturbide received and holds a Law Degree (*Licenciatura en Derecho*) from the *Universidad Nacional Autónoma de México* (UNAM) and an LL.M. from the University of Notre Dame, School of Law (program in London, England).



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Jimmy Zadigue

Senior Director of Corporate Audit Services and Risk Assessment

Jimmy Zadigue has served as our Senior Director of Corporate Audit Services and Risk Assessment (formerly Internal Audit Director) since 2020. He previously served as our Internal Audit Director from 2011 to 2019. Mr. Zadigue worked as the internal audit director of Sempra Infrastructure Mexico (IEnova); the director of operations, finance, and administration at Swarovski in Mexico; and as the director of finance and business control at Bombardier North America. Mr. Zadigue is also a Chartered Public Accountant in Canada and a Certified Internal Auditor. Mr. Zadigue holds a B.B.A. from HEC-Montreal and a M.S. in Accounting Sciences from the Université du Québec.

Dionisio A. Pérez Jácome Friscione

Chief Corporate Affairs and Sustainability Officer (CCASO)

Dionisio A. Pérez Jácome has served as our CCASO since 2022. Prior to joining us, he was president of Industrial Proximity Services, a firm dedicated to the provision of last-mile services to industrial clients in Mexico. He was also managing director of Altor Capital I, S.C., a firm dedicated to financing infrastructure projects, through public-private partnerships (PPPs). He has served as Secretary of Communications and Transportation of Mexico, as Deputy Secretary of Expenditures in the Ministry of Finance and as Chief of Advisors to the President of Mexico. Mr. Pérez Jácome has extensive experience in the energy sector, having served as chairman of the Energy Regulatory Commission, as head of the investment promotion unit of the Ministry of Energy and as executive director of the State Steering Committee for the Capitalization of Non-Basic Petrochemical Companies. More recently, he served as Ambassador of Mexico to Canada and as Ambassador of Mexico to the OECD. He has been a management and public policy consultant and has taught courses in macroeconomics and public policy. He has Master's Degrees in Public Policy from Harvard University and in International Management from *Instituto Tecnológico Autónomo de México* (ITAM), and a Bachelor's Degree (*Licenciatura*) in Economics from ITAM.

Senior Management's primary duties are to:

- Comply with the agreements reached at the Shareholders' Meetings and by our Board of Directors.
- Submit business strategies for approval by the Board of Directors.
- Submit for approval of the Audit Committee the guidelines of the internal control system.
- Disseminate relevant information to the public.
- Comply with applicable laws concerning the repurchase and subsequent acquisitions of shares.
- Take responsibility and appropriate action regarding liabilities caused by our operations.
- Comply with the applicable legislation regarding the payment of dividends.
- Adequately maintain the internal accounting and registration control systems and mechanisms.

Establish internal mechanisms and controls that allow verifying that the acts and operations of the Company and the legal entities that it controls have adhered to the applicable regulations, follow up on the results of these mechanisms and internal controls, and take the necessary measures where appropriate.

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President and CEO Primary Duties

Our President and CEO has several responsibilities, including:

➤ The duties of management, conduct, and execution of the business by the Company and the legal entities that it controls.

➤ Power to represent the Company in acts of administration, lawsuits, and collections.

In addition, the President and CEO has an obligation to:

- Submit to the Board of Directors for approval of the Company's business strategies and those of the legal entities it controls, based on the information provided by the latter.
- Comply with the resolutions reached at the Shareholders' Meetings and by the Board of Directors, and the instructions, if any, resulting from the Shareholders' Meeting or from the Board of Directors.

➤ Propose to the Audit Committee the guidelines for the internal control and internal audit system of the Company and the legal entities that it controls, as well as execute the guidelines approved by the Board of Directors for this purpose.

➤ Execute the relevant information of the Company, together with the Senior Management in charge of its preparation in their competence.

➤ Disclose relevant information and events that must be disclosed to the public under the provisions of the Mexican Securities Market Law.

➤ Comply with provisions relating to the conclusion of transactions for the acquisition and placement of the Company's shares.

➤ Exercise, by itself or through a delegated authority, within the scope of its competence or on the instructions of the Board of Directors, the appropriate corrective actions and responsibilities.

➤ Verify that the shareholders' capital contributions are made, if applicable.

➤ Comply with the legal and statutory requirements established concerning dividends paid to shareholders.

➤ Ensure that the Company's accounting, registration, filing, or information systems are maintained.

➤ Prepare and submit to the Board of Directors the applicable legal reports.

➤ Establish mechanisms and internal controls to verify that the acts and operations of the Company and the legal entities it controls have been carried out under the applicable regulations, to monitor the results of these mechanisms and internal controls, and take such measures as may be necessary.

➤ Exercise the liability actions established in the Mexican Securities Market Law against related persons or third parties who presumably have caused damage to the Company or the legal entities it controls or in which it has a significant influence, except when the Company's Board of Directors determines, following the Audit's Committee's opinion, that the damage caused is not relevant.

➤ Any others established by the Mexican Securities Market Law, provided for in our By-laws or assigned by the duties set forth in the Mexican Securities Market Law.

The President and CEO and the rest of the Senior Management are subject to the liability provided for in the Mexican Securities Market Law, and other applicable laws and regulations, in their respective responsibilities.

For this reason, they shall be liable for the damages and losses arising from the functions that correspond to them. Furthermore, the President and CEO and the rest of the Senior Management will be responsible for damages caused to the Company or the legal entities controlled by it due to: (i) the lack of timely and diligent attention, for reasons attributable to them, and to the requests for information, and documentation required by the Directors of the Company within the scope of their powers; (ii) knowingly submitting or disclosing false or misleading information, or (iii) engaging in any illegal conduct.



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Compensation

Compensation at Volaris is guided by our General Compensation Policy and supported by additional policies that establish the guidelines with which Volaris defines and develops compensation at different levels of the Company. This provides equitable remuneration appropriate to the duties, responsibilities, complexity, and contribution of each position. **We also regularly participate in benchmarking exercises to ensure our compensation remains competitive in the market, helping us to attract, retain, and motivate top talent.** Our approach recognizes both individual contributions and business performance, supporting our long-term strategic objectives.

BOARD OF DIRECTORS COMPENSATION

On April 28, 2025, the Annual Ordinary General Shareholders’ Meeting approved the following compensation for the members of our Board of Directors:

Chart 2: Board of Directors Compensation

Regulatory Body	Member	Fee Type	Compensation in U.S. dollars
Board of Directors	Chairman	Annual fee	\$150,000*
		In-person or remote attendance to a session	\$2,500
	Non-Independent Proprietary Member	Annual fee	\$60,000*
		In-person attendance	\$2,500
		Remote attendance to a session	\$500
	Independent Proprietary Member	Annual fee	\$60,000*
		In-person attendance	\$2,500
		Remote attendance to a session	\$500
	Secretary	Annual fee	\$25,000
		In-person attendance	\$2,500
		Remote attendance to a session	\$500
Audit Committee	Chairman	Annual fee	\$30,000*
		In-person attendance	\$4,000
		Remote attendance to a session	\$500
	Proprietary Member	In-person attendance	\$4,000
		Remote attendance to a session	\$500
	Secretary	In-person attendance	\$1,000
Corporate Governance Committee	Chairman	Remote attendance to a session	\$500
		Annual fee	\$15,000*
		In-person attendance	\$2,500
	Proprietary Member	Remote attendance to a session	\$500
		In-person attendance	\$2,500
	Secretary	Remote attendance to a session	\$500
		In-person attendance	\$1,000
		Remote attendance to a session	\$500

*The payment of such annual remuneration may be in cash or in kind (Company shares) at the Director's choice.

In the case of independent proprietary members of the Board of Directors, in addition to the remuneration described above, the Company grants them a stock plan to align their interests with the Company's. For more information about our Directors' remuneration, please see the "Compensation" section of our 20-F.



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SENIOR MANAGEMENT COMPENSATION

The compensation package for Senior Management, including our President and CEO, is approved by our Board of Directors based on a recommendation from the Corporate Governance Committee and reviewed by a qualified external adviser. This evaluation considers:

- The Mexican market, using a representative sample of companies in the country with similar characteristics to Volaris in terms of revenues, workforce size, and stock exchange listing, among others.
- The U.S. and European airline markets.

We seek to position the compensation of our Senior Management between the 75th percentile of the Mexican market and the 50th percentile of the U.S. and European airline markets. Likewise, these markets determine variable compensation and long-term retention plans.

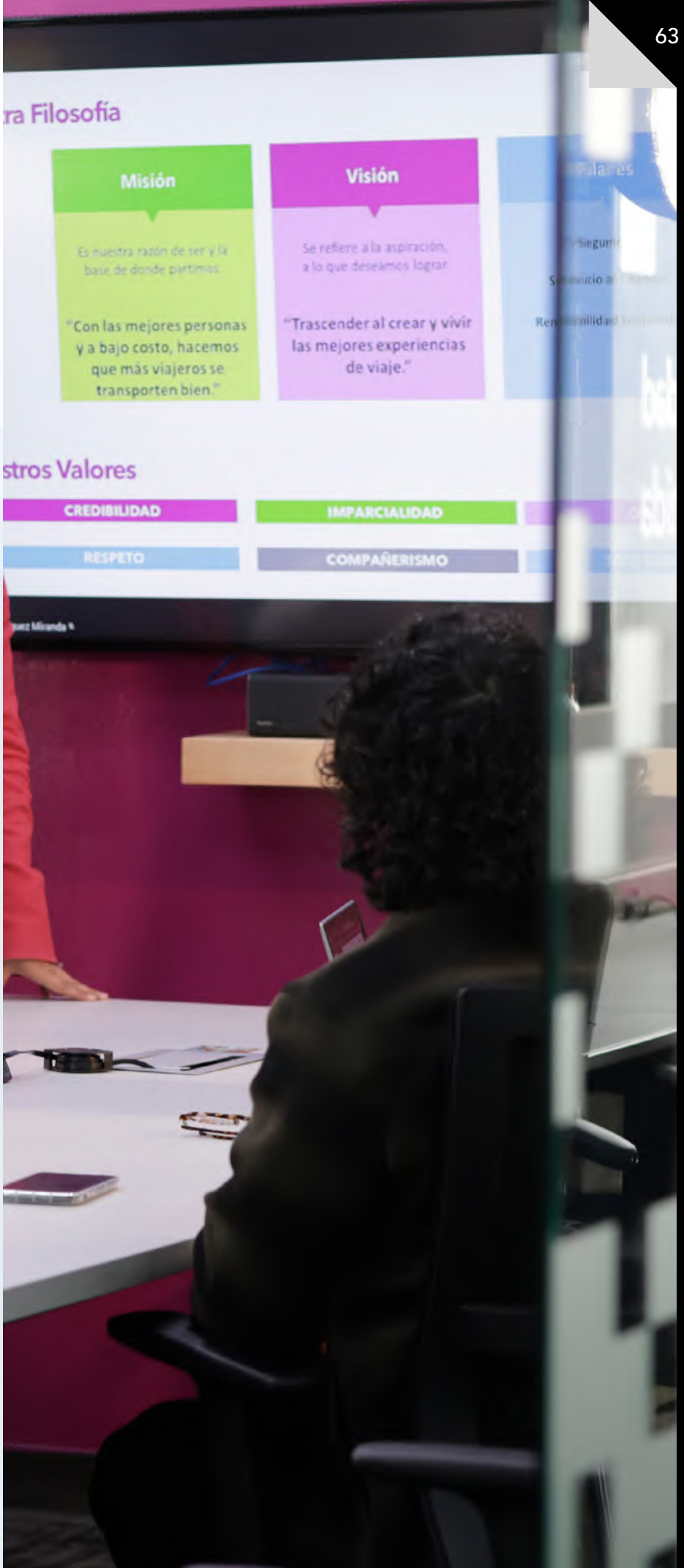
Compensation Structure

To achieve high performance, between 65% and 75% of total Senior Management compensation is in short- and long-term variable compensation plans.

The quarterly variable compensation for Senior Management, which directly impacts the President and CEO's variable compensation, is linked directly or indirectly to ESG, operational/ maintenance, commercial and/or financial KPIs, reinforcing our commitment to sustainable business practices. Some of the ESG KPIs included in Senior Management quarterly compensation are the reduction of CO₂ emissions intensity, increase of women in underrepresented areas, and compliance with national and international regulations (cybersecurity maturity level, labor practices, passenger rights, reporting, etc.), among others.

The long-term variable compensation plan for our Senior Management consists of a restricted stock unit annual grant with a three-year vesting period (33% each year), promoting long-term retention and alignment of interests between management and shareholders, with the performance period extending up to 12 months. Thanks to these factors, the average tenure of Senior Management is approximately 13 years⁴¹.

⁴¹ GRI 2-4: In last year's Integrated Annual Report, the average tenure of Senior Management was incorrectly reported as exceeding 12 years. The correct statement is less than 12 years. This discrepancy was due to a wording mistake during the report preparation process.



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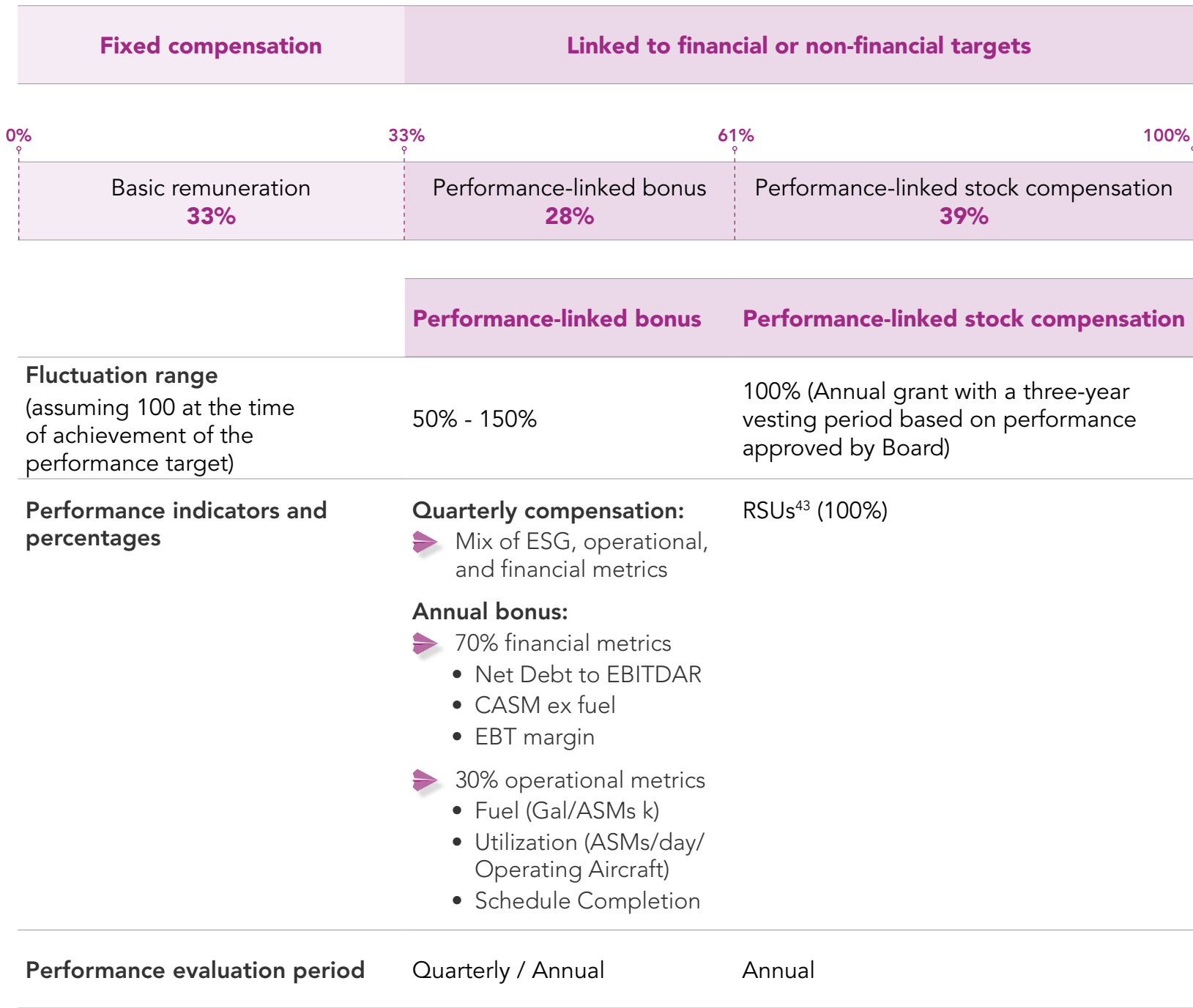
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Chart 3: Average Senior Management Compensation Structure⁴²



⁴² Including the President and CEO.
⁴³ Restricted stock units.
⁴⁴ Other companies or industries refer to this policy as the “Clawback Policy.”

In line with our commitment to integrity and accountability, we have a Recovery of Erroneously Awarded Compensation Policy⁴⁴, which allows for the recovery of performance-based compensation in cases of erroneous awards, within a defined timeframe.

Furthermore, under the applicable Mexican law, Volaris is not required to adopt the Say on Pay Policy.

Management ownership and stock ownership requirements

In line with its current compensation framework, Volaris does not require its President and CEO or other members of the Senior Management to hold a minimum number of company shares.

However, both the President and CEO and other executive officers do hold Volaris shares, promoting long-term alignment with shareholders’ interests. Since 2014, the Company has operated a long-term incentive plan through which key executives, including the President and CEO, may acquire Series A shares via a restricted stock unit (RSU) program and a share purchase plan managed through a trust. These shares are fully exposed to market performance and are not subject to any hedging arrangements or instruments that limit personal financial risk.

This structure is intended to support long-term value creation and retention, rather than enforce a fixed shareholding requirement. For more information about our President and CEO’s and Senior Management’s holdings or compensation, please check our latest 20-F.

The Company has an Insider Trading Policy that regulates purchase, sale, or other disposition of securities by directors and other covered individuals. Any transaction by an insider that results in a change of 5% or more in their shareholding must be publicly disclosed to the CNBV and the BMV within one business day.

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Operating in a dynamic and highly regulated industry requires us to constantly adapt to evolving regulatory frameworks, economic shifts, and changes in the political and social landscapes of the countries where we operate. These external factors, combined with those inherent in our business and the aviation sector, present both risks and opportunities that must be carefully managed.

To support the achievement of our strategic goals, we are committed to maintaining strong governance and comprehensive risk management practices. Our approach focuses on proactively identifying, assessing, monitoring, and addressing risks in a timely and effective manner while also leveraging opportunities for continuous improvement and long-term value creation.

RISK MANAGEMENT FRAMEWORK

Volaris has adopted the COSO Enterprise Risk Management (ERM) framework as its primary guideline for implementing enterprise risk management. This framework allows Volaris to identify and maintain a systematic risk management program aligned with our overall business strategy. Our risk management framework is also informed by other established guidelines, including the Committee of Sponsoring Organizations of Treadway Commission (COSO) and Control Objectives for Information and Related Technologies (COBIT).

Through our framework, risk identification is based on the following pillars:

- 1 Internal environment:** Encompasses Volaris' tone, which influences its people's risk perception and serves as the foundation for all other components of corporate risk management, providing discipline and structure. These include the entity's risk management philosophy; its risk appetite; oversight by the Board of Directors; the integrity, ethical values and competence of the entity's personnel, and how management assigns authority and responsibility, and organizes and develops its people.
- 2 Setting objectives:** Volaris conducts its strategic planning process annually, determining strategic objectives for the year and establishing projects or initiatives to achieve them.
- 3 Identification of events:** In this phase, risks and potential events that are sources of risk are identified, along with the diverse and possible effects to be faced.
- 4 Risk assessment:** This phase enables Volaris to understand the degree of impact potential events could have on business objectives.
- 5 Response and control activities:** Risk response actions are determined based on the assessment conducted, using criteria such as Accept, Mitigate, Transfer, and Avoid, according to the identified risk levels.
- 6 Monitoring:** Volaris monitors and updates its risk exposure, risk measurements, and performance metrics periodically.

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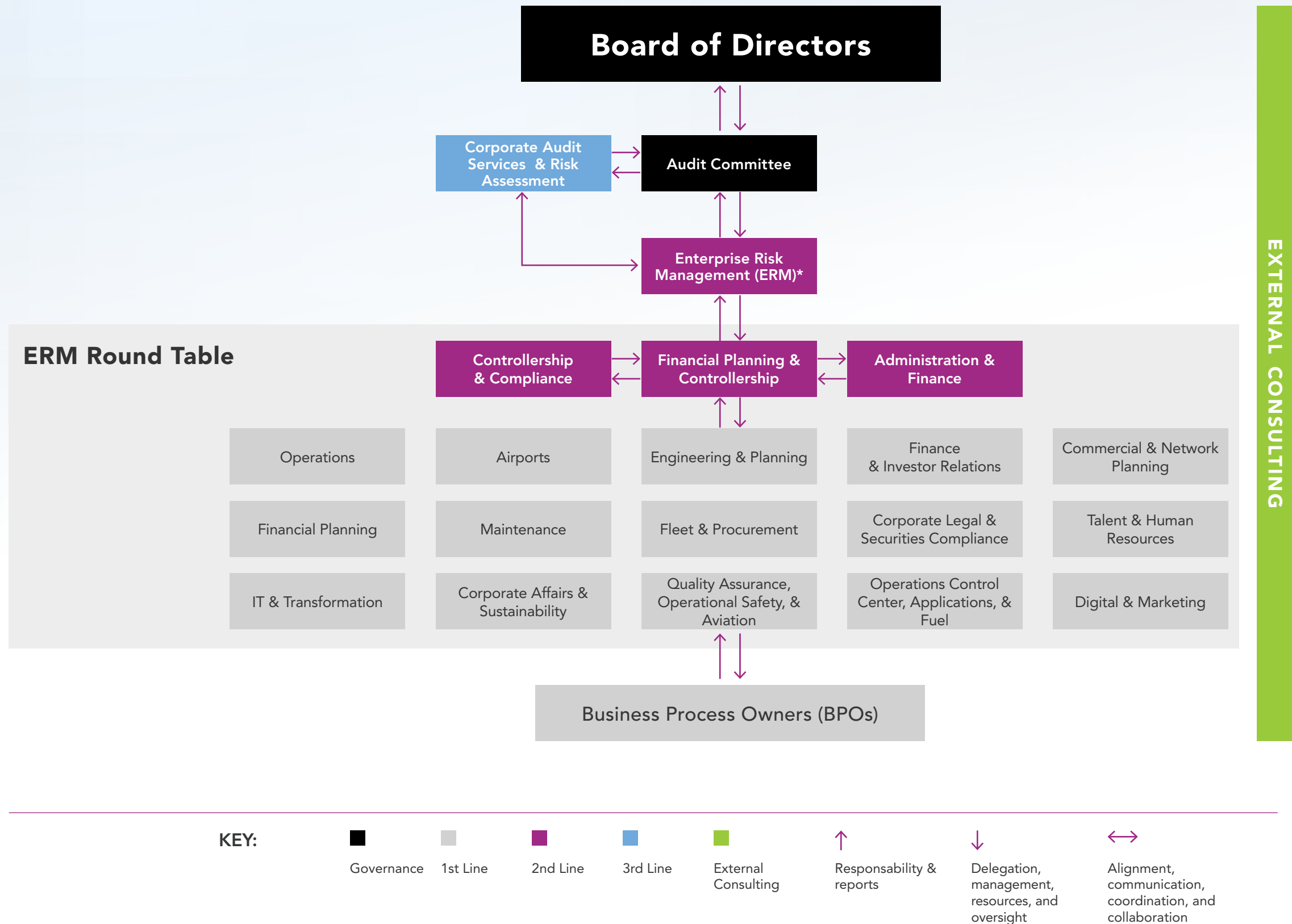
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RISK GOVERNANCE

Risk governance at Volaris includes supervision by the Board of Directors, the Audit Committee, and the Senior Management. The Board of Directors exercises ultimate oversight of our risk management practices, including our progress towards relevant goals and targets, through the Audit Committee. Comprehensive business risk reports are presented quarterly to the Audit Committee. Aligned with the Company's ERM framework, these reports provide a strategic overview of current and emerging risks, promoting proactive mitigation. Corresponding action plans are developed and monitored to enhance resilience, regulatory compliance, and informed decision-making.

Our President and CEO provides executive oversight of the risk management practices, and together with our CFO, is responsible for certifying Volaris' internal control system annually, including the ERM process, which is submitted for Board of Directors acknowledgement, with the prior opinion of the Audit Committee.



*The Company's Senior Management as part of ERM.

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RISK MANAGEMENT APPROACH

In our risk management approach, we employ three lines of defense:

- 1 Line One:** The Business Process Owners (BPOs) serve as the first line of defense, leading resource allocation to drive Volaris' objectives. They establish and uphold organizational structures for risk management and assume responsibility for reporting both planned and actual outcomes of our risk mitigation efforts.
- 2 Line Two:** As the second line of defense, the Controllership and Compliance team monitors evolving risks and develops, presents, and evaluates remediation/back-up plans. This is achieved through tracking adherence to current action plans and key risk indicators. Leveraging their expertise, the Controllership and Compliance team provides support for risk management and facilitates the application of the COSO-ERM framework. Under the oversight of our Controllership and Compliance director, who holds overall responsibility for risk management, quarterly reports are submitted to our Senior Management and the Audit Committee.

As another component of the second line of defense, we have an ERM Group, which establishes the structures, processes, and necessary policies for comprehensive risk management and remediation across Volaris. This Group informs the Audit Committee about the risk profile and ongoing action plans, including those related to emerging concerns.

The primary objective of the ERM Group is to ensure that Volaris maintains a consistent, effective, and integrated approach to risk management throughout the Company.

- 3 Line Three:** Operating as the third line of defense, the Corporate Audit Services and Risk Assessment team provides independent and objective assurance to the Board of Directors, the Audit Committee, and the Senior Management regarding the effectiveness of governance and risk management practices.

Looking ahead, we aim to continuously improve our ERM process, enhance organizational maturity, and proactively involve process owners in identifying risks and controls to support preventive risk mitigation.



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KEY RISKS⁴⁵

The following is a representative, though not exhaustive, list of key risks that could affect our operations, financial performance, and strategic outlook. These risks are aligned with those disclosed in our most recent 20-F and are included here to highlight the most relevant factors that may influence our ability to create long-term value. It is important to note that additional risks, whether currently unknown or considered immaterial, may emerge due to changes in our internal or external context.

Some of the most significant risks that could impact our operations and business projections include:



Risks related to Mexico and the other countries in which we operate

- **Economic, political, and social events, and changes in Mexican government policy:** The Mexican federal government has exercised, and continues to exercise, significant influence over the Mexican economy. As a result, governmental actions and policies concerning air transportation and similar services could have a significant impact on our operations.
- **Adverse economic conditions in Mexico and the other countries in which we operate:** Our business may be affected by unfavorable economic conditions in Mexico and the other countries in which we operate, including economic slowdowns, recessions, as well as increases in inflation or interest rates. There is currently significant uncertainty regarding the future political and economic relationship

between the United States and Mexico, particularly in light of changes in the U.S. presidential administration with respect to immigration, trade policies, treaties, tariffs, taxes, and other cross-border regulations. These uncertainties are further compounded by recently announced and evolving U.S. tariff policies, retaliatory international tariffs, and shifting global trade dynamics. Collectively, these factors may lead to reduced demand for our flights, downward pressure on fares, or a shift towards alternative ground transportation, such as long-distance buses.

➤ **Currency fluctuations:** Exchange rate volatility between the U.S. dollar and the Mexican peso has historically been significant, and the potential for such fluctuations to persist in the future remains. If the peso

depreciates against the U.S. dollar, it could reduce consumer purchasing power, potentially weakening demand for our services. In turn, this may negatively impact our business operations and financial performance.

➤ **Developments in other countries:** Changes in immigration or trade policies, can adversely affect our financial condition and results of operations. Additionally, changes in government regulations related to airline safety, security, and/or consumer protection could increase our costs and decrease our profitability. Shifts in political leadership or economic policies could impact the demand for our flights.

⁴⁵ Please refer to our latest 20-F for more detail on our key risks.

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Risks related to the airline industry

➤ **Competition:** We operate in an extremely competitive industry and face significant competition with respect to routes, fares, services, and airport slots. Our competitors include not only other airlines but also long-distance bus services that cover many of our routes. Decisions by our competitors to increase industry capacity, or growth dedicated to a particular region, market, or route, have the potential to adversely affect our market share, pricing power, and overall business performance.

➤ **Economic conditions:** The airline industry is highly sensitive to changes in economic conditions. Unfavorable economic conditions have the potential to negatively impact our ability to offset increased fuel, labor, or other costs through price increases. Such impacts, if significant, may result in a material adverse effect on our business, financial condition, and results of operations.

➤ **Regulations:** The airline industry is highly regulated, and it is essential that we maintain the necessary concessions, permits, and authorizations from U.S., Mexican, Central American, and South American governmental bodies to operate successfully. Failure to do so could have a significant negative impact on our financial condition and results of operations.

➤ **Fixed costs:** The airline industry is characterized by low gross profit margins and high fixed costs. As a result, as an airline we face significant challenges in quickly reducing costs in response to unexpected revenue shortfalls. This could have a material adverse effect on our financial condition and results of operations.

➤ **Fuel costs:** Fuel costs have a significant impact on the airline industry, as they represent a considerable portion of operating expenses for airlines. Our ability to pass on such fuel cost increases to our customers is limited by our ultra-low-cost business model. As a result, any significant fluctuations or disruptions in the supply of fuel could result in a material adverse effect on our business, financial condition, and results of operations.

➤ **Public health threats:** Outbreaks of infectious diseases, such as COVID-19 and other highly contagious diseases, have led to the suspension of both domestic and international flights in the past, as well as changes in travel behavior. These threats also could have a significant negative impact on the economies of the countries in which we operate, as well as the reputation of the airline industry. As a result, an infectious disease outbreak could have a material adverse effect on our business, results of operations, and financial condition.





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Risks related to our business

➤ **Ultra-Low-Cost structure:** Our competitive advantage lies in our ultra-low-cost structure, which is subject to various factors that impact on our ability to control costs, some of which are beyond our control. Our success relies on maintaining a high daily aircraft utilization rate, leaving us susceptible to flight delays, cancellations, and aircraft unavailability. Additionally, our non-passenger revenue is crucial for profitability, but it may not remain stable or grow as expected. Any increase in our cost base or cost erosion of our cost advantage relative to our competitors could negatively affect our business, results of operations, financial condition, and prospects.

➤ **Maintenance costs:** As of December 31, 2024, our fleet's average age was 6.4 years. Our newer aircraft, which constitute a significant portion of the fleet, presently benefit from lower maintenance requirements. However, as our fleet ages, we expect an increase in maintenance costs. Any significant surge in maintenance and repair expenses would have a material adverse effect on our margins, results of operations, and financial condition.

➤ **Dependence on certain airports:** Our business relies heavily on our routes to and from major airports in cities like Mexico City, Tijuana, Guadalajara, and Cancún, which represent a significant portion of our overall routes. In addition, the Mexico City International Airport is operating at full capacity and is expected to go through a major structural construction, and we cannot guarantee that we will be able to maintain or obtain additional slots. Any major increase in competition, loss of any of our existing slots, a decrease in demand for air travel, or disruptions in airport services or fuel supply at any of these key airports could potentially have a negative impact on our business, financial condition, and operating results.

➤ **Limited suppliers:** We rely on a limited number of suppliers for fuel, aircraft, engines, spare parts, and other aircraft components. Any disruption, delay, or issue from these suppliers could materially impact our operations and maintenance schedules.

➤ **Aircraft and engine reliability:** Any real or perceived defect in our aircraft or engines, whether mechanical, design-related, or due to technological obsolescence, could lead to aircraft grounding or operational delays. Since 2017, P&W's PW1100G-JM engines have experienced technical and production issues worldwide, resulting in extended aircraft downtime for several Airbus A320neo family aircraft operators, including us. These issues also have resulted in the delay in delivery of our Airbus A320neo family. We cannot provide assurance on when such problems will be fully resolved by P&W.

Risks related to our securities and the ADSs

➤ **CPO trust:** Non-Mexican investors may not hold our Series A shares directly and must have them held in a CPO trust, which always releases CPOs underlying Series A shares. If the current trust is terminated, a new trust like the CPO trust may not be created.

➤ **Voting rights:** Holders of ADSs and CPOs are not entitled to vote the underlying Series A shares. As a result, holders of ADSs and CPOs do not have any influence over the decisions made relating to our Company's business or operations, nor are they protected from the results of any such corporate action taken by our holders of Series A shares.

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CLIMATE RISKS AND OPPORTUNITIES

Climate change can have an impact on our business, associated strategies, and, ultimately, our financial outlook. This can occur through a combination of risks, including, but not limited to acute physical risks, such as an increase in the frequency and severity of extreme weather events; chronic physical risks, such as longer-term changes in weather patterns; and transition risks, such as regulatory developments and potential carbon pricing mechanisms, and opportunities, such as the implementation of more fuel-efficient technologies across our fleet.

The identification and management of climate-related risks and opportunities are covered, primarily, through our ERM framework, with additional support and input from the Corporate Affairs and Sustainability department, the ESG Round Table, and the Sustainability Working Group. See Corporate Sustainability Oversight section.

In 2024, Volaris continued to both conduct and receive specialized training on climate-related risks and opportunities, with a particular focus on members of the Sustainability Working Group members and other cross-functional teams. These sessions were designed to enhance participants' ability to identify and address such risks and opportunities effectively. The identification process involved conducting workshops, interviews, and surveys led by the Corporate Affairs and Sustainability department, in collaboration with external consultants. This method is consistent with recognized best practices in climate risk assessment, highlighting the importance of stakeholder involvement. As a result, a climate-related risk inventory was identified primarily consisting of climate-related risks and opportunities that had materialized or were close to materializing in the past, as well as some forward-looking risks and opportunities. This exercise was qualitative in nature and involved identifying the mitigation actions that Volaris' departments had already implemented.

Volaris has identified the following climate-related risks and opportunities and is currently assessing their importance and significance:

Climate-Related Risks

Physical Risks – Acute

Extreme weather, such as excessive cold, heat temperatures, and/or intensive storms, could impact our operations in the following ways:

- Operational disruptions, such as delays and flight cancellations, could increase operating costs (from rebooking and compensating passengers, issuing vouchers, reducing efficiencies, etc.), impact revenue, and affect the passenger experience.
- Capital expenditure could rise due to equipment and other infrastructure damage from extreme weather.

- Additional fuel consumption due to routes deviations.
- Disruptions in fuel refinery operations may result in reduced supply and increased fuel price volatility.
- Fuel transportation could be disrupted by droughts that could lead to an increase in fuel prices.

Physical Risks – Chronic

- Global temperature change could affect maximum takeoff weights, leading to decreased capacity and profit margins.

Transition Risks – Market

- Supply constraints could limit business growth due to delayed deliveries and limited availability of more fuel-efficient aircraft.
- Higher operational costs due to disruptions in the fuel supply chain, and the need for capital expenditure may increase to mitigate such disruptions.
- Obligatory requirements to pay carbon taxes or participate in carbon markets in the jurisdictions where we operate could increase costs and impact financial performance.

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Transition Risks – Technology

- Early adoption of new technology can impact our operations and finances due to its evolving nature.
- The high cost and limited availability of Sustainable Aviation Fuel (SAF), which currently meets less than 1% of aviation fuel demand, could increase expenses and affect our ability to meet emissions targets. SAF may also require fleet modifications and involve higher costs for implementation and upskilling.
- Implementing new technologies may require additional time, capital, upskilling, and policies.
- Emissions reduction mandates and the lack of technology to support compliance could impact our reputation, operations, and finances.

Transition Risks – Policy and Legal

- Regulatory and reporting compliance costs may rise due to sudden and stringent environmental and climate-related regulations.
- Penalties for any noncompliance with regulations, particularly those with quick applicability, in the jurisdictions where we operate could increase the Company's costs.
- Regulatory changes, such as new disclosure requirements, required carbon offset purchases, or carbon taxes, could restrict business operations, increase costs, and decrease margins.

Climate-Related Opportunities

- Exploring the use of Sustainable Aviation Fuel (SAF) is expected to play a significant role in the decarbonization of the aviation sector, including Volaris; however, current production is too low and expensive to feasibly support these needs. We signed an investment agreement to support the further development of SAF through the North American startup CleanJoule, as an essential first step in facilitating Volaris' long-term access to economically feasible SAF.
- Proactively reducing and voluntarily offsetting GHG emissions to minimize vulnerability to mandatory carbon pricing and enhance Volaris' reputation with customers. Our efforts include fleet renewal plans and other fuel-saving programs to lower Volaris' carbon emissions (gCO₂/RPK). In addition, since 2015, we have offered our customers the option to purchase our *#cielitolimpio* product. With this purchase, Volaris acquires certified carbon credits from the Mexican Carbon Platform (MÉXICO₂), which are allocated to environmental projects aiming to compensate for or neutralize GHG emissions.
- Investing in a young, modern, and fuel-efficient fleet to achieve our environmental goals and to mitigate the risk of potentially higher costs as increasingly more efficient aircraft become available. Our fleet, one of the youngest and most fuel-efficient in the Americas, consists of Airbus A320 family aircraft powered by P&W's GTF engines, delivering 20% lower fuel burn per flight hour and a 50% smaller sound footprint compared to the previous generation aircraft.⁴⁶ We also maintain our commitment to transition close to 100% of our fleet to Airbus A320neo family aircraft equipped with sharklets by 2030.
- Aligning the sustainability and financing strategy, to secure attractive financing terms and reduce cost of capital while achieving environmental goals. In 2021, Volaris issued its first Sustainability-Linked bond for Ps. \$1.5 billion and, in 2022, its first pre-delivery payment facility with a sustainability component.

⁴⁶ According to the technical specifications provided by Airbus for the A320neo family aircraft.



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➤ Ethics and Compliance Culture

We foster a culture of ethics and compliance that guides the behavior and labor relationships of all our Ambassadors. To support this culture, we have established a comprehensive set of policies and tools, including the Volaris Code of Ethics, the Volaris Supplier's Ethics Policy, and the Volaris Ethics Line. We also maintain additional internal policies to help prevent corruption, conflicts of interest, and money laundering, among other concerns.

The Corporate Audit Services and Risk Assessment team acts as the coordinator of ethical matters within the Company. In collaboration with the Talent and Human Resources team, it promotes ethical behavior and provides guidance for proper disclosure and transparency.

Additionally, the team is responsible for contracting and overseeing the external, independent third party that manages the Volaris Ethics Line. It ensures that cases reported through all the available channels are properly investigated and escalated to the Ethics Working Group for resolution, and that resulting decisions or actions are implemented in a timely manner.

VOLARIS CODE OF ETHICS

The Volaris Code of Ethics establishes our fundamental values, standards and culture. The Code addresses the following topics:

- Health and occupational safety in the workplace.
- Equal opportunities, non-discrimination, and protection of human rights, including the rejection of child and forced labor.
- Elements necessary to offer better service to customers.
- Rejection of work harassment and abuse.
- Protection of the environment.
- Practices to prevent conflicts of interest, money laundering, and corruption.
- Responsible management of the supply chain and fair competition practices.

All Ambassadors, including the Senior Management, full-time, and part-time employees, are required to understand and comply with the guidelines of the Volaris Code of Ethics, for this purpose we conduct annual training and evaluations to ensure awareness of the content of this document.

In 2024, 100% of FTE Ambassadors received training on the Volaris Code of Ethics.⁴⁷

The Volaris Code of Ethics was updated and approved by the Board of Directors by recommendation of the Corporate Governance Committee in the July 2025 session.

VOLARIS SUPPLIERS' ETHICS POLICY

The Volaris Suppliers' Ethics Policy, based on the Volaris Code of Ethics, aims to foster a collaborative framework between the Company and our procurement suppliers. This Policy promotes strong, long-term, and mutually beneficial business relationships. As part of our commitment to integrating ESG practices into our supply chain, this Policy also sets forth the expectations suppliers should meet as part of our ethical principles and applicable legal standards. **For more information, please refer to the Supply Chain Management section** .

⁴⁷ Refers to full-time equivalent (FTE) Ambassadors employed by Volaris during the 2024 year.

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OTHER KEY POLICIES AND PRINCIPLES

The Volaris Code of Ethics is supported by complementary policies and principles that reinforce our commitment to sound business practices. These include the following:

➤ **No Retaliation Principle.** Protects people who report any infringement of the Volaris Code of Ethics.

➤ **Policy on Conflict of Interest Resulting from Kinship.** Establishes the procedures for avoiding and solving possible conflicts of interest that may arise in the Company.

➤ **Grandfather Principle.** Allows all Ambassadors to engage in discussions with the next level of leadership above their immediate supervisor, if they feel intimidated by the latter, or if the latter is violating the Volaris Code of Ethics or any other policy.

➤ **Anti-Corruption Compliance Policy and Fraud Prevention and Control Policy.** This includes compliance with all anti-corruption laws applicable to the Company, including the Foreign Corrupt Practices Act (FCPA). The policies' objectives are to ensure compliance with our responsibilities as a public Company listed on the NYSE; to ensure transparent and lawful practices; and to prevent any act of corruption, including fraud, bribery, extortion, and embezzlement, among others.

➤ **Gifts and Benefits Received from Suppliers or Third Parties Policy.** Establishes the guidelines for Volaris' relationship with third parties, such as suppliers and public officials, among others, to avoid receiving benefits in exchange for preferential treatment or other activities that may lead to a conflict of interest.

➤ **Gifts and Benefits Granted to Suppliers and Third Parties Policy.** Establishes the guidelines under which Volaris may grant gifts or benefits to third parties, in full compliance with applicable laws. The policy strictly prohibits offering gifts or incentives to suppliers or third parties in connection with bribery, illicit payments, or improper commissions.

➤ **Donations Policy.** Establishes the guidelines for the delivery, receipt, and management of donations that Volaris allocates to social welfare institutions and individuals through the Company's social responsibility programs, such as the *Avión Ayuda Volaris* and *#VolemosJuntos*.

➤ **Interpersonal Relations Policy.** Expands and reinforces the concept of conflict of interest mentioned in the Volaris Code of Ethics and ensures that the correct procedure is followed regarding how to proceed in the event of a sentimental relationship with Ambassadors or suppliers.

We provide annual mandatory training in anti-corruption practices for Ambassadors in roles identified as exposed to corruption-related risks. In 2024, 641 Ambassadors completed anti-corruption training, which represents 100% of the positions the Company has classified as as highly exposed to potential acts of corruption⁴⁸.



⁴⁸ 100% of the active population of Ambassadors at Volaris at the time of the training and among the selected group of Ambassadors.

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VOLARIS ETHICS LINE

The Volaris Ethics Line is a whistleblowing program managed by an external and independent third party, and internally coordinated by our Corporate Audit Services and Risk Assessment team. It allows Ambassadors, suppliers, customers, and other stakeholders to confidentially report any suspected misconduct related to our Volaris Code of Ethics, Volaris Suppliers' Ethics Code, or other internal policies and principles. Reports may be submitted anonymously, and all are handled with strict confidentiality and protection against retaliation.

Procedure for reporting to the Volaris Ethics Line

- 1 Report submission through any of the Volaris Ethics Line channels, either anonymously or with identification.
- 2 Report classification and preliminary analysis conducted by the independent third-party operator.
- 3 Investigation and analysis conducted by internal investigators or specialized teams, as appropriate.
- 4 Implementation of corrective and preventive actions to address findings and reduce recurrence, and in some cases, imposition of sanctions.

The Ethics Working Group receives a monthly summary of reported and investigated cases, along with related recommendations. Moreover, a quarterly in-person session is scheduled to review trends, discuss significant changes to relevant policies and practices, and present a general overview of the number of cases. The Ethics Working Group, through our Senior Director Corporate Audit Services and Risk Assessment, briefs the Audit and Corporate Governance Committees.

In 2024, the Volaris Ethics Line processed 112 reports (equivalent to 1.3 reports per 100 FTEs).⁴⁹

Most of the cases were related to labor environment and improper use of assets. There were no reports related to fraud issues.

At the end of 2024, 85% of the reported cases during the year were resolved. The corrective actions that resulted from the investigation of these cases included: feedback to the parties, formal coaching programs, and verbal and written warnings, up to the termination of the labor contract, in compliance with federal, state, and local labor laws.

In alignment with our zero-tolerance policy for corruption, our Corporate Audit Services and Risk Assessment team conducts regular reviews of our anticorruption practices. These include:

- A quarterly review of our interactions with government officials and politically exposed people
- An annual anti-fraud audit procedure
- A biennial Foreign Corrupt Practices Act (FCPA) compliance review

⁴⁹ Calculated using the formula $T = (N/P) * 100$, where T = the Volaris Ethics Line reports rate per 100 FTEs, N = total number of reports, and P = total population of FTEs.



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As part of our ongoing *Enlázate* campaign, launched in 2023 to strengthen awareness of Volaris' culture, operations, and performance, the 2024 edition included specific communication on how to use the Volaris Ethics Line to confidentially report unethical behavior. The campaign included in-person meetings at our major stations such as Tijuana, Guadalajara, Mexico City, and Cancun aimed at reinforcing our commitment to integrity and transparency.

Looking ahead, we will continue promoting a strong ethical culture by maintaining close engagement with Ambassadors and airport personnel through *Enlázate* and improving the resolution cycle time for reported cases.

Accordingly, in 2025, the Corporate Audit Services and Risk Assessment team will focus specifically on reducing case resolution times to strengthen trust in the Volaris Ethics Line's process.

REGULATORY COMPLIANCE

The aviation industry is highly regulated due to its impact on public safety, security, international relations, and the environment, among others. Due to our strong commitment to regulatory compliance, **during fiscal year 2024, we did not have any significant fines or non-monetary sanctions⁵⁰ for noncompliance with environmental regulations, anti-competitive behavior⁵¹ and antitrust practices, health and occupational safety regulations, customer safety incidents, misleading or inaccurate advertisement, or customer privacy regulations.**

In addition, to strengthen our operational and regulatory compliance capabilities, we continue to develop the Integrated Airline Management System (IAMS), aligned with international standards. As a key component of IAMS, **Our Quality Management System is certified under NMX-CC-9001-IMNC-2015 / ISO 9001:2015.**

This integrated approach enhances our ability to operate efficiently, safely, and responsibly, following best practices in the aviation industry and complying with legal, regulatory, and stakeholder requirements. Each year, Volaris expands the scope of its ISO 9001 certification incorporating new critical processes into the IAMS.

This progress reflects our strategic commitment to sustainability, processes innovation, and alignment with the United Nations Sustainable Development Goals (UN SDGs), particularly those related to decent work, responsible production, and partnerships to achieve our goals.

We remain steadfast in our goal of operating with the highest standards of quality, strengthening the trust of our customers, employees, authorities, partners, and investors.

Processes Certified in the Quality Management System

According to ISO 9001:2015 / NMX-CC-9001-IMNC-2015, the following key processes are certified:

- Operations Engineering and Technical Publications
- Updating the Empty Operating Weight⁵²
- Adding Aircraft to the AOC⁵²
- Adding Stations to the AOC⁵²
- Flight Dispatch (DSP) and Operational Control Center (CCO)
- Crew Planning
- Flight Operations (FLT) and Flight Operations Support⁵²
- Administrative Procedures of the Flight Attendant Organization (CAB)
- Cargo Mentor Program⁵²
- Cargo Operations (CGO)
- Ground Operations (GRH)⁵²
- Crisis Management (ERP)
- Emissions Monitoring⁵²
- Fuel Savings Program
- Environmental Programs in Corporate Offices (Offices Ecological)

⁵⁰ Volaris has applied a threshold of U.S. \$14 million to determine the significance of such issues for sustainability reporting purposes.

⁵¹ Volaris considers unfair competition fines as those imposed by the Federal Economic Competition Commission (Comisión Federal de Competencia Económica, COFECE).

⁵² Processes incorporated into the ISO 9001 certified scope, in 2024.



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POLICY INFLUENCE

With the purpose of contributing to the overall development and success of the air transport sector, we have placed great importance on engaging with industry organizations and regulators. To that end, Volaris is a member of the International Air Transport Association (IATA), which aims to lead and represent the airline industry globally by formulating policies on important issues for the sector.

Our President and CEO has been a member of the main governing body of IATA, the Board of Directors, since 2021. In 2024, his mandate was renewed for another three-year term, a recognition that underscores his strong advocacy for key industry issues, effective representation of member interests, and active participation in board discussions. As one of only three Latin American representatives on the Board, and the only one to be re-elected, the continuity of his appointment reinforces the region's voice in global aviation and highlights his deep understanding of the sector's challenges and opportunities. This renewal strengthens Volaris' position within the international aviation community, especially the increased presence of ultra-low-cost carriers worldwide, and reflects our ongoing commitment to shaping the future of air transport.

Political Contributions

As mentioned before, Volaris has a commitment to anti-corruption and transparency, which is why **we do not make financial or other contributions to political campaigns and parties.** We operate in strict adherence to transparency and anti-corruption standards. Also, our involvement in policy matters is conducted exclusively through official and institutional channels, ensuring that all dialogue with authorities is responsible, non-partisan, and consistent with our ethical and corporate governance principles.



Climate-Related Advocacy

Volaris participates in public policy dialogue and advocacy through engagement in industry and climate-focused forums. Our approach is guided by the Paris Agreement and our long-term decarbonization approach. The IATA has adopted a resolution in line with the Paris Agreement, aiming for the air transport industry to reach net-zero carbon emissions by 2050. As an active member, Volaris fully supports this ambition and has implemented strategies that will help enable us to meet this target, though we recognize that fully achieving net zero will require coordination and action across wider society. We actively contribute to IATA's climate policy discussions and regulatory engagement, particularly around critical topics such as SAF and the development of the carbon market.

At the national level, we are part of the industry's technical working groups, along with government agencies and industry peers that promote the development, production, and adoption of SAF in Mexico. We also maintain an open dialogue with environmental authorities to advance the

implementation of and compliance with the State's commitment to CORSIA and help develop a transparent, credible carbon credit market aligned with ICAO standards.

Recently, Volaris has been actively collaborating with international organizations and other partners, such as ICAO, IATA, and Airbus, along with other airlines, in initiatives related to the national development and use of SAF, with the objective of supporting Mexico in creating the necessary enabling conditions. On that account, Volaris has taken a key position in dictating the path to be taken by the air transport sector, shaping the future of aviation.

Additionally, Volaris was recognized as the most efficient national carrier in reducing CO₂ emissions, ranking fourth globally in the Flight Emissions Ranking published by international aviation analytics firm Cirium. This recognition highlights Volaris' commitment to sustainability, driven by its low-cost business model, high-load factors, and modern fleet of Airbus A320neo family aircraft, which significantly enhances fuel efficiency and reduces environmental impact per passenger.

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At Volaris we recognize the vital role our suppliers play in our operational continuity and long-term sustainability. Investing in solid, transparent relationships with our suppliers promotes a steady supply of high-quality goods and services essential for mutual growth and resilience. In 2024, we worked with 1,714 active suppliers⁵³, of which 187 (11%) were new to Volaris.

Chart 4: Active Suppliers Spend in 2024

	Domestic	International	Total
Suppliers (products and services)	959	755	1,714
Value/payments of products and services ⁵⁴	\$2,103	\$1,616	\$3,719
Share of total supplier spend	56%	44%	100%

Chart 5: Type of Active Suppliers in 2024

	Number	Share of Total Active Suppliers' Spend (%)
Total Tier 1 ⁵⁵	519	84.0%
Significant Tier 1 ⁵⁶	191	70.0%
Significant non-Tier 1 ⁵⁷	34	0.4%

⁵³ Active suppliers refers to the suppliers that engaged in commercial activity with Volaris (considering at least one payment transaction during the year 2024).

⁵⁴ In millions of U.S. dollars.

⁵⁵ Tier 1 suppliers refers to suppliers that directly supply goods, materials, or services related to our core business.

⁵⁶ Significant Tier 1 suppliers are those identified as having significant business relevance to the Company; we cannot continue our operations without them.

⁵⁷ Significant non-Tier 1 suppliers refers to those indirect vendors that could be replaced without affecting business continuity.

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OUR PROCUREMENT STRATEGY

Our procurement strategy is guided by four priorities:

- 1** Optimizing resources while maintaining the highest standards of operational efficiency.
- 2** Managing our supply chain responsibly by strengthening our processes and controls based on international standards and indicators, through our Responsible Supply Chain Management Model.
- 3** Promoting transparency across all procurement operations.
- 4** Building resilience by fostering collaboration and improved practices with our suppliers.

Responsible Supply Chain Management Model

We recognize that responsible supply chain management is not just about promoting operational efficiency and cost-effectiveness, but also about **upholding ethical standards, environmental stewardship, and social responsibility throughout our entire network of suppliers.**

Our Responsible Supply Chain Management Model promotes shared value creation and sustainable practices through a phased, cyclical approach, enabling continuous improvement in supplier oversight, risk management, and compliance.

Oversight of the Model is provided by our Senior Management through the Sustainability Working Group, enabling alignment with our business priorities and the necessary support from the highest levels of the organization.

Figure 1: Volaris Responsible Supply Chain Management Model

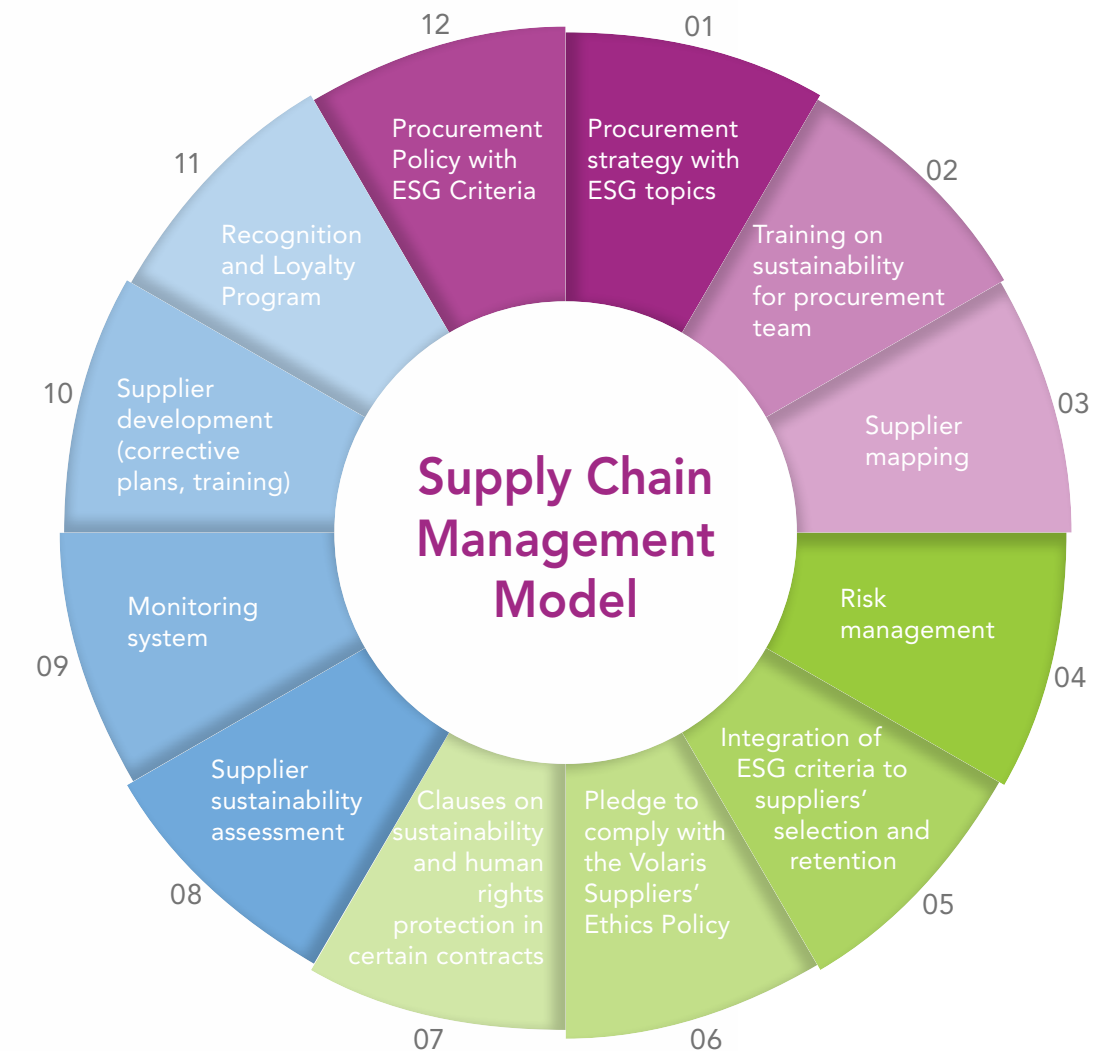
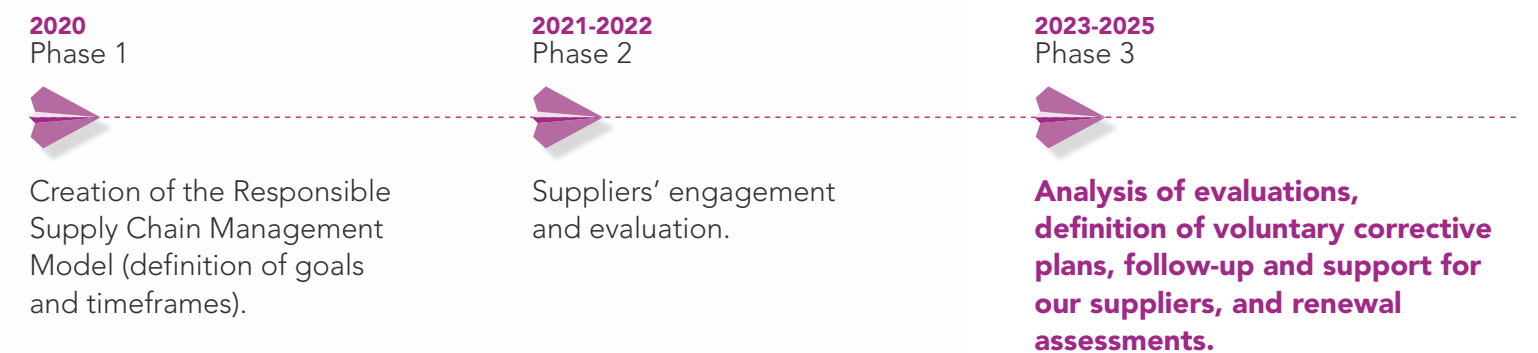


Figure 2: Phases of the Volaris Responsible Supply Chain Management Model





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In 2024, we continued our efforts to incorporate ESG criteria into our supplier management process. Key milestones achieved during the year included:

- Conducting a risk assessment of certain suppliers, to strengthen our understanding of their criticality and impact on our business.
- Integrating our Volaris Suppliers’ Ethics Policy into the supplier registry process.
- Providing sustainability training to our procurement team, emphasizing the importance of ESG issues within the supply chain and reinforcing the foundations of our Responsible Supply Chain Management Model.

➤ Advancing Phase 3 of the Responsible Supply Chain Management Model, focusing on screening, assessments, results analysis, and remediation planning. As part of this phase, we issued voluntary corrective plans to suppliers, based on an assessment conducted by a third-party expert. We provide remote support to suppliers through evaluation reports, follow-up emails, and guidance on improvement areas. However, as participation is voluntary, supplier engagement rates vary. Volaris continues to monitor progress through annual reassessments, identifying year-on-year improvements in ESG scores. While we offer guidance, the implementation of corrective measures and improving ESG performance remains the responsibility of the suppliers.

Chart 6: Suppliers with voluntary corrective action plans



Supplier Screening and Assessment Programs

We conduct a comprehensive supplier relevance analysis developed in collaboration with external consultants that helps us identify key operational and ESG-related considerations.

SUPPLIER SCREENING

Our supplier screening includes a country-specific monitoring process that helps us identify suppliers flagged for potential involvement in high-risk activities, including those linked to legal, fiscal, financial, and ESG activities. **In 2024, we conducted this screening process on our entire base of 1,714 active suppliers.**

Chart 7: Suppliers’ Screening Coverage

	2023	2024
Total number of Tier-1 suppliers	596	519
Total number of Significant suppliers in Tier-1	200	191
% of total spend on Significant suppliers in Tier-1	72.0%	70.0%
Total number of Significant suppliers in non-Tier-1	37	34
Total number of Significant suppliers (Tier-1 and non-Tier-1)	237	225



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SUPPLIER ASSESSMENT

Our supplier assessment is a company-led process, open to suppliers on a voluntary basis, designed to help identify potential impacts on our business continuity among participating suppliers. The process is divided into two parts:

- a Supplier relevance management exercise:** Internal verification that involves analyzing our suppliers’ relevance considering factors such as annual spend, commercial transactions, market competitiveness, and complexity of supplier replacement. Suppliers are classified with a business relevance rating of 1 to 5, 1 being the lowest and 5 being the highest relevance.
- b Third-party validation:** This includes an evaluation of ESG⁵⁸, legal, financial, and fiscal factors, as well as systematic evidence verification.

In 2024, our assessment focused on 220 suppliers, of which 76% (167 suppliers) were evaluated. Of these, approximately 76% completed the ESG aspects assessment, and 8 were classified as having a low ESG maturity level.⁵⁹



Chart 8: Suppliers’ Assessment Coverage

	2023	2024	Target for 2024 ⁶⁰
Total number of suppliers assessed	287	167	165
% of significant suppliers assessed	6.0%	5.0%	
Number of suppliers assessed with possible ESG impacts ⁶¹	20	8	
% of suppliers assessed with possible impacts with voluntary corrective action plans	N/A	100%	

In 2025, we will continue our Phase 3 implementation, expanding the number of suppliers assessed and following up on remediation plans shared in 2024. Our aim is to strengthen the integration of ESG aspects, risk mitigation, and supplier alignment with Volaris’ values.

⁵⁸ Twenty percent of the assessment questions are related to ESG aspects.

⁵⁹ ESG low-maturity level suppliers are those evaluated and found to have gaps in their ESG practices, with a rating higher than 3 according to our internal assessment.

⁶⁰ The Suppliers’ Assessment Coverage Target for 2023 was reported as 338, when it should have been 254 (75% of the total). The error was due to mistakenly using the total number of suppliers as the target. The corrected figure confirms the target was met both last year and this year.

⁶¹ Possible impacts referring to those suppliers with an ESG low-maturity level and that are significant to our core business.



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Marketing and
Customer
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Aviation
Security and
Safety



Cybersecurity,
Data Protection
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Privacy

Creating experiences that strengthen trust



90.0%

of our passengers
completed their
check-in online

78.0%

of ticket sales were
through the website
and mobile app

~3.4%

of our surveyed
customers were first-time
flyers

GRI 3-3, 416, 416-1, 417, 417-2, 418, 418-1

SASB TR-AL-000.E, TR-AL-000.B, TR-AL-000.C, TR-AL-000.D, TR-AL-540a.1, TR-AL-540a.2



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Our Customers

Volaris' purpose is clear: We aim to make air travel accessible through our ultra-low-cost business model, offering affordable options to our customers with a focus on Visiting Friends and Relatives (VFR), leisure travelers, and price-conscious business travelers.

The Company's continued success is contingent on excelling in all facets of customer experience, which encompass **operational efficiency, competitive pricing, personalization and customization, self-service options, effective issue resolution, safety performance, and protection of customers' rights.**





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Optimizing Customer Experience

Our focus remains on delivering the best possible experience for our customers. That is why we continue to evolve **our convenience, accessibility, flexibility, and personalization**. We aim to make easy to purchase additional services, modify reservations, and resolve issues across the entire travel journey experience. Additionally, we reinforce our commitment to prioritizing clear, direct, and accessible communication at every touchpoint with our customers.

To monitor and improve customer loyalty, satisfaction, and the likelihood of customers recommending Volaris to others, we rely on Net Promoter Score (NPS) surveys. These surveys help us assess various aspects of the customer experience, including ticket purchases, check-in procedures, boarding processes, and baggage handling. Despite the operational disruptions we

faced in 2024 due to the impact of P&W's GTF NEO engines accelerated inspections, **our NPS index reached 37.4%, an increase of 6.6 pp compared to 2023⁶²**. This improvement reflects our continued commitment to enhancing the customer experience, as well as a notable recovery in operational metrics such as on-time performance and schedule completion.

Also, in 2024, **we relaunched our codeshare agreement with Frontier and launched a new codeshare with Iberia Airlines**. The codeshare with Frontier now accounts for approximately 2% of our cross-border (Mexico-U.S.) load factors. Volaris will continue exploring further opportunities in alliances without sacrificing the core of our ultra-low-cost business model.



CUSTOMER SELF-SERVICE STRATEGY

Our self-service strategy allows us to increase efficiency by empowering our customers to independently enhance their travel experience. We provide our products and services, along with exclusive discounts and promotions, through various official channels such as our website, mobile app, social media platforms, and chatbot. Additionally,

customers can access our offerings and address requests through our call center, airport counters and, travel agencies.

Our website and mobile app are our primary platforms for ticket sales and for customers to manage their reservations. Notably, **in 2024, 90.0% of our passengers completed their check-in online**.

⁶² For this reporting period, the data coverage was 4.6%. This percentage is calculated as the number of customers who responded to the survey divided by the total number of customers who received it.



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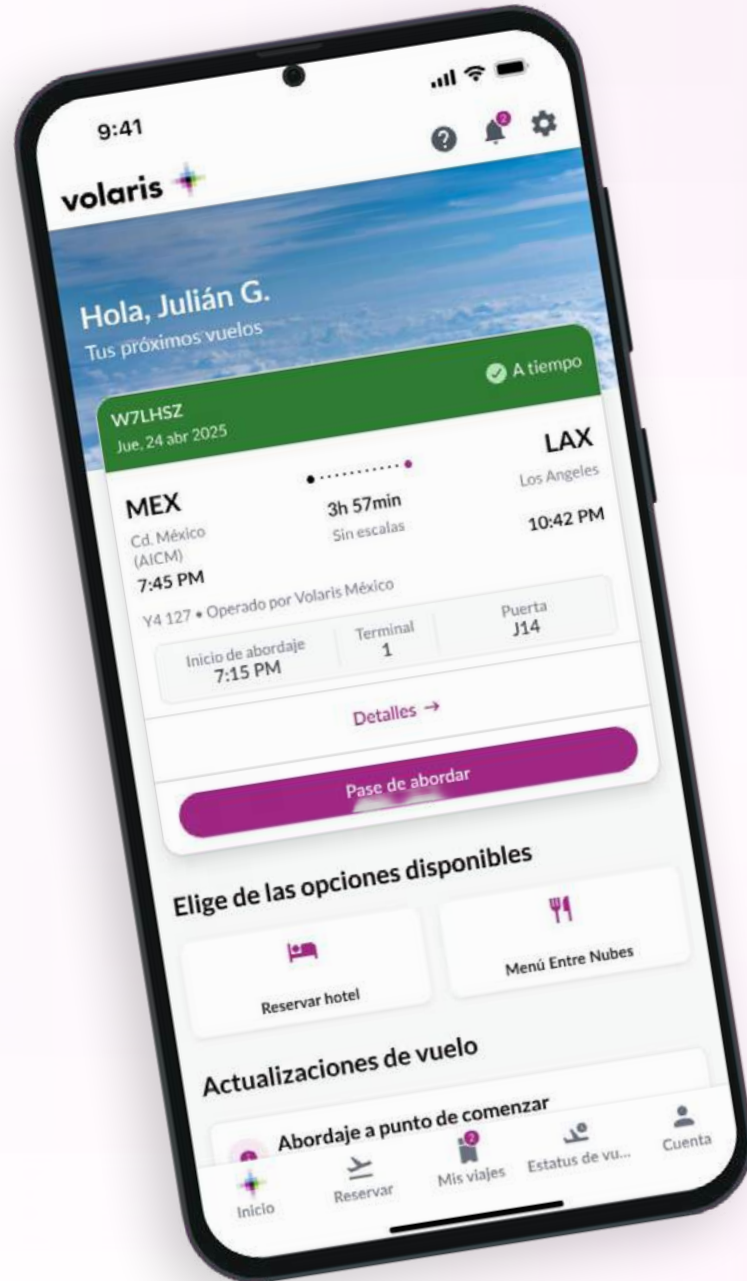
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Chart 9: Ticket Sales by Channel in 2024

	% of Tickets Sold ⁶³
Website and mobile app	78.0%
Call center	3.0%
Third-party travel agencies	17.0%
Airport counters	2.0%



Benefits of our customer self-service initiatives include:

- **Flexible travel management:** Customers can make travel arrangements anytime, anywhere.
- **Seamless digital interactions:** Flight booking, check-in, seat selection, and baggage management are available through our mobile app and website.
- **Real-time flight updates:** Easy access to live information on flight status, including gate changes, delays, and cancellations.
- **Automated compensation processes:** Quick refunds, voucher issuance, or flight reallocation for itinerary changes handled automatically through our platforms.
- **Faster support with AI integration:** The implementation of generative AI in our customer service platform has significantly reduced response and waiting times. **In 2024, we managed 11.3 million chatbot sessions, achieving a 95.0% containment rate.**⁶⁴

➤ **Sustainability through digitalization:**

Our paperless process aims to contribute to paper-use reduction and supports environmental responsibility.

In 2024, we introduced a digital documentation validation system on our mobile app for international flights. This feature allows passengers to save time during the check-in process and proceed directly to the boarding gate area.

In March 2025, we launched an updated version of our mobile app designed to enhance the overall customer experience. The new app enables one-click purchasing, streamlines personalized bookings and boarding, and provides easier access to our affinity programs and self-service options. Developed with the latest software architecture, the app also offers greater flexibility to support future updates and improvements.

⁶³ These percentages are approximate.
⁶⁴ Refers to the percentage of users who interact with an automated service and leave without speaking to a live human agent.

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CUSTOMER SERVICE PROGRAMS

We continuously monitor our customer service channels to ensure quality interactions and timely responses. This helps us identify areas for improvement across specific processes and locations. As part of our ongoing efforts to improve and protect the travel experience, we launched several key initiatives in 2024:

➤ **Fraud awareness campaign:** As part of a joint effort to combat airline ticket scams affecting commercial air transport users in Mexico, we launched the *Alas contra el fraude* campaign. This initiative aims to raise public awareness about safe and direct ticket purchasing through official platforms to help prevent fraud.

➤ **Customer feedback:** To strengthen our understanding of customer expectations, we implemented two initiatives:

- 1 Expand mystery shopper programs, using third parties to evaluate real service experiences.
- 2 Create a multidisciplinary working group, tasked with monitoring and following up on pain points identified through NPS surveys and official feedback channels.

➤ **Training and service culture:** We provide continuous training on best practices in customer service for our frontline Ambassadors who interact with customers at airports and onboard flight. Our *Servicio Orientado a Soluciones* (Solution-Oriented Service, SOS) program provides our Ambassadors with tools to quickly and effectively address customers' needs. **In 2024, we expanded the program's scope to encompass all our customer service areas, including call centers, onboard services, and digital platforms. In addition, we launched a new e-learning platform and implemented on-site coaching to enhance learning and improve accesibility.**

➤ **Recognition and team engagement:** Through our *Vive Volaris* initiative, we recognize service and customer care advisers. We promote their development through visits to airports, helping to reinforce a sense of belonging with the Company and foster a better connection between our teams.

The information gathered through these initiatives, along with insights from focus groups and direct customer feedback, helps us identify opportunities to further reduce friction during the travel experience.





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ACCESSIBILITY PRACTICES AND CERTIFICATIONS

To promote inclusive service, each year, all airport-based Ambassadors obtain Complaint Resolution Official (CRO) certification under the U.S. Code of Federal Regulations. In 2024, we expanded this program to an online platform, to increase accessibility. This certification prepares staff to better assist customers with disabilities, promoting dignified and respectful treatment.

We also offer personalized onboard support for customers with special needs, including unaccompanied minors and elderly travelers. **In 2024, we launched a sensitivity awareness campaign focused on invisible disabilities**, such as neurological conditions and psychological disorders, to raise awareness and foster empathy. This initiative improves our people-center service culture.

COMPLAINT RESOLUTION

We strive to address and resolve customer concerns efficiently and proactively. We provide dedicated channels to achieve this key objective:

➔ **Digital.** Through chatbots, social media, messaging apps, and a ticketing system called *Tu Experiencia*.⁶⁵

➔ **Express solutions (Línea Express).** Provides internal support to our Ambassadors to help them solve customer difficulties.

➔ **Conciliation (Conciliaexpres).** Enables us to effectively handle customer complaints that escalate to the Federal Consumer Protection Authority (PROFECO).

In 2024, an advanced digital tool was implemented in our customer service platform to improve service through faster response times and streamlined internal workflows. This tool connects to the Volaris knowledge base (manuals, policies, standards, etc.) and provides agents with instant and accurate answers with up-to-date information, improving issue resolution.

In addition, during 2024, **we reached record levels of responsiveness, achieving a 98% resolution rate in customer conciliation cases** across both PROFECO and the United States' Better Business Bureau (BBB). In 2024, we were awarded the highest BBB rating (A+) in the U.S., a recognition driven by our continuous improvement programs such as SOS, ongoing performance monitoring, strategic working groups with PROFECO, and a deep understanding of our customers' evolving needs. Additionally, **we recorded the lowest number of complaints in the Mexican airline industry at the PROFECO Commercial Bureau.**

In 2025 we are continuing to expand our immediate conciliation model across the Central and South American markets, further reinforcing our customer-first approach.

Finally, we recognize that airlines often face operational disruptions beyond their control, such as adverse weather, technical and technological issues, and air traffic congestion, which can result in delays, cancellations, or itinerary changes. At Volaris, we are committed to minimizing these impacts through timely communication, proactive measures, and customer protections that exceed regulatory requirements. This includes offering flexible rebooking options, such as rerouting to nearby options, such providing solutions that prioritize our customers' needs, regardless of the disruption's cause.

⁶⁵ Online form for customers to submit inquiries or concerns. This form can be accessed through our website or via a QR code available on a banner at airport counters. Once the form is submitted, a ticket is generated and tracked for follow-up on a banner at airport counters.

Operational Efficiency

We understand that **efficiency and punctuality are key drivers of a positive customer experience.** That's why we continue to invest in operational excellence to ensure our passengers reach their destinations safely, on time, and with minimal disruptions.

Throughout 2024, we operated an average of 473 daily departures (173,209 total departures), with a schedule completion of 99.2%, an on-time performance (OTP+15min) of 83.6%, and an average fleet utilization of 13.0 block hours per day per aircraft. Despite capacity adjustments due to preventive P&W's GTF NEO engines accelerated inspections on some aircraft, we maintained a robust operation and service continuity.

We also achieved a a load factor booked of 87.0% in 2024, representing a 0.99pp increase over 2023.

In terms of service quality, our baggage incident rate (including loss, damage, or theft) remained low at 0.7 per 1,000 passengers, consistent with the prior year. This was made possible through improvements in baggage handling, such as the implementation of the WorldTracer system and the continuous expansion of our self-baggage drop kiosks.

Chart 10: Operational Efficiency Indicators

	2022	2023	2024
Routes	197	231	250
Load factor onboard ⁶⁶	80.0%	81.0%	82.0%
Load factor booked ⁶⁷	85.6%	86.0%	87.0%
On-time performance (OTP+15min)	71.2%	76.9%	83.6%
On-time performance w/o external contingencies ⁶⁸	87.4%	87.5%	91.4%
Schedule completion ⁶⁹	99.2%	99.1%	99.2%
Average daily aircraft utilization (block hours)	13.3 hrs	13.3 hrs	13.0 hrs
Baggage incidents (per 1,000 passengers)	0.7	0.7	0.7
Revenue passenger kilometers (RPK onboard) (thousands)	45,451	53,847	47,488
Revenue ton kilometer (thousands)	4,120	4,568	4,071

⁶⁶ Load factor onboard measures the number of paying passengers excluding no-show passengers.

⁶⁷ Load factor booked is related to all the paying passengers.

⁶⁸ Refers to on-time performance (OTP+15min) when excluding external factors outside of Volaris' control, e.g., weather or air traffic.

⁶⁹ GRI 2-4: In 2022 and 2023 we reported as itinerary compliance considering the number of flights operated divided by the number of schedule flights. In 2024, we are reporting schedule completion, due to a change in methodology, to be aligned to the aviation industry standard. In 2022 and 2023, these indicators were reported as 98.3% and 97.8% respectively, and instead, should have been 99.2% and 99.1% respectively.



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Competitive Fares, Ancillaries, and Affinity Programs

With the goal of expanding access to mobility and stimulating demand, Volaris offers affordable, competitive air transportation. Through our ultra-low-cost model, customers can tailor their travel experience by selecting and paying only for the services they value.

COMPETITIVE FARES

In 2024, our average base fare was U.S. \$52.6. Through frequent promotions, we offered base fares as low as U.S. \$1.80 and U.S. \$0.98 for our v.club members, excluding airport fees. This pricing strategy plays a crucial role in our broader goal of democratizing air travel.

In 2024, approximately 3.4% of our surveyed customers were first-time flyers, indicating the effectiveness of this approach in attracting new customers.

A cornerstone of our social development approach is encouraging passengers to switch from long-distance bus travel to air travel on routes of five hours or more. By offering shorter travel times and greater safety at comparable fares, we help small and medium-sized businesses grow and increase regional connectivity. **Notably, in 2024, around 40% of our route network faced no air competition and competes solely against buses**, which is why promoting bus-switching will remain a strategic priority.



ANCILLARIES

While low fares remain a central pillar of our model, we believe passengers are increasingly choosing Volaris not only for price but also for the overall travel experience. Our customers actively engage with our digital platforms, join our affinity programs, and demonstrate loyalty through repeat purchases. Capturing and cultivating this recurring demand is critical to our continued differentiation in the market.

A key component of this strategy is our focus on additional services or ancillaries. **In 2024, we achieved a milestone: For the first time, ancillary revenue represented more than 50% of total operating revenue.** Dynamic pricing contributed approximately 8% of

this figure, underscoring the importance of personalization and data-driven optimization in our commercial model. In 2025, we plan to continue strengthening our ancillaries offering.

Additionally, we continue working to make air travel more accessible through flexible payment options. We have over 255,000 payment points across Mexico, the U.S., Guatemala, El Salvador, Costa Rica, Peru, and Colombia, and our customers can choose to pay with credit or debit cards, or in cash at eligible banks or retail locations within 24 hours of booking. This ensures our services remain inclusive, especially for those who do not have, or choose not to use, traditional banking services.



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Marketing and Customer Engagement

Aviation Security and Safety

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AFFINITY PROGRAMS

Our affinity programs are designed to deepen customer relationships by offering exclusive fares, promotions, and personalized benefits. These initiatives are a key lever for generating recurring revenue and increasing the frequency of purchases, especially among value-conscious travelers, frequent flyers, corporate clients, and small and medium-sized businesses, alongside our core VFR and leisure markets.

Recently, **we launched our loyalty program “Altitude”⁷⁰**, a free frequent flyer program aimed at strengthening customer loyalty and increasing share of wallet by rewarding repeat travel. In parallel, **we are enhancing YaVas**, our dedicated vacation business, to broaden its appeal among higher-spending travelers seeking a more comprehensive and flexible travel experience.



Our Affinity Programs⁷¹

v.club	v.pass	v.business ⁷²	Co-branded Credit Card	Annual ⁷³ Pass
This membership offers the lowest available fares. v.club membership is available at three levels: individual, duo, and friends and family. Some of the benefits of this membership are: - Lowest available fares on all flights. - Savings of up to a 20% discount. - Exclusive discounts for hotel and vacation packages at YaVas. - Exclusive promotions every Thursday.	The v.pass is a subscription service with a monthly payment that enables our customers to travel to any location within Mexico once a month and pay only the airport use fee and taxes. v.pass members have access to free v.club membership.	This membership has special benefits for business travelers, such as: - Unlimited changes in the date/time of their flight. - Flight reservation with payment flexibility (24 hours later), keeping the same rate. - Additional baggage weight allowance at no extra charge. - Same-day flight change for an earlier departure. - Priority boarding. - Selection of preferred seat (excluding emergency exit seats).	Volaris offers three credit card options, VOL 0, VOL 1.0, and VOL 2.0. While the benefits program for each card varies, all cardholders enjoy: - Welcome free flight (taxes not included). - Up to 2% cashback in Monedero Volaris. - Priority boarding. - Carry-on and first checked bag (25 kgs). - Interest-free monthly installment plans. - A 15% bonus when purchasing onboard food and beverages.	The Annual Pass is a subscription service that offers flexible customers unlimited one-way direct flights for one year on all domestic and international routes. With this membership, customers only need to cover the airport use fee and taxes for each flight booked. Annual Pass members have access to a free v.club individual membership.
~1,300,000 members.	~44,000 members.	~4,000 members.	~941,000 holders.	~43,000 users.



⁷⁰ “Altitude” was launched in July 2025.

⁷¹ As of the date of this Report, these are the benefits of our affinity programs.

⁷² v.business membership is a program developed by Volaris specifically for small and medium-sized enterprises.

⁷³ Annual Pass seats are based on availability. They are published 24 hours in advance for domestic destinations and 72 hours in advance for international destinations.

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➤ Marketing and Customer Engagement



We believe that having a clear commitment to upholding **ethical marketing and advertising standards** is essential for fostering trust and loyalty with our customers. We provide our customers with balanced and accurate information, including fair and truthful descriptions of our products and services, based on the tenets of legality. This approach extends to all our communications, including social and environmental impact, with a focus on clarity, appropriate language usage, and well-supported messages.

Furthermore, we promote fair competition and uphold respect, inclusion, and integrity in all communications, ensuring that the interests of our customers, communities, and other stakeholders are protected, especially those of vulnerable and historically underrepresented populations.

➤ **In 2024 we recorded zero material incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications product and service information and labeling.⁷⁴**

⁷⁴ Volaris has applied a threshold of U.S. \$14 million to determine the significance of such issues for sustainability reporting purposes.

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MARKETING CAMPAIGNS AND BRAND POSITIONING

In 2024, our marketing efforts focused on creating emotional relevance, cultural connection, and brand differentiation to reinforce Volaris' identity as Mexico's leading ultra-low-cost carrier and champion of accessible air travel. Key highlights included:

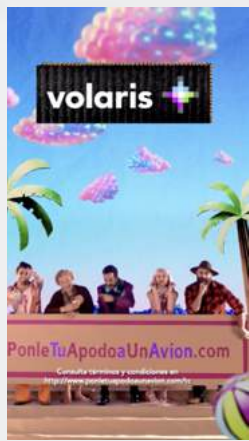
Celebrating 18 years of democratizing the skies:

Our anniversary campaign highlighted our mission to make air travel possible for millions who were excluded from it. The message, "Our strategy hasn't changed since day one", honored customer resilience and reaffirmed our commitment to affordable, inclusive transportation.



Campaigns with cultural relevance:

We relaunched our flagship *Ponle Tu Apodo a un Avión* campaign, celebrating Mexican identity and humor through popular nicknames, and strengthening emotional connections and brand affinity.



Market-specific positioning:

In some of our key stations in which we operate, we implemented *Vuela Mejor, Vuela Bien*, a campaign positioning Volaris as a high-quality, customer-centric alternative, highlighting punctuality and onboard service.



Proactive communication during operational challenges:

Amid industry-wide challenges related to our P&W's GTF NEO engines accelerated inspections, we highlighted our modern fleet and operational reliability to preserve customer confidence and trust.



Brand partnerships and sponsorships:

We expanded our presence in sports and entertainment through partnerships aimed at enhancing visibility among younger and digitally native audiences.



Conscious messaging:

Through ongoing communication around our programs to prevent human trafficking and #cielitolimpio, we encouraged customers to be part of a broader social and environmental movement, inviting them to contribute to our purpose of caring for people and the planet and actively engage with our sustainability efforts.



In 2024, our *Ojos en el Cielo* communication campaign helped us reach a wide audience and raise awareness about the crime of human trafficking, earning us a nomination for the 2024 *Caracol de Plata* Award by CEMEFI.

In addition, Volaris conducted a Brand Perception Survey to measure the effectiveness of our campaigns in improving brand perception among our customers, during 2024. We plan to strengthen this approach in 2025 by expanding the survey's

scope and placing greater emphasis on sustainability-related topics to better understand our stakeholders' expectations and perceptions on ESG matters.



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Aviation Security and Safety

We place aviation security and safety throughout all our operations as our highest priority. Volaris utilizes a master Integrated Management System certified by ISO 9001:2015 and the IATA Operational Safety Audit (IOSA).

Quality Management System (QMS).

Operational Safety Management System (SMS).

- Risk Management
- Flight Data Analysis Program
- Emergency Response Plan

Security Management System⁷⁵ (SeMS).

The IOSA Certification Coverage applies to all activities of Flight Operations, Maintenance, Training of Technical Personnel, Safety, Aviation Security, Cargo, among others.

⁷⁵ SeMS is implemented in Volaris operations even though it is not mandatory by the civil aviation authorities.



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AVIATION SECURITY

Volaris continues to standardize its security processes across its three subsidiaries, Volaris Mexico, Volaris Costa Rica, and Volaris El Salvador, to meet the requirements set by ICAO and the applicable regulations in the markets where we operate. These processes cover the following activities:



Facility security for hangars, warehouses, and other priority areas.



Passengers' acceptance during check-in processes.



Application of alcohol and drug test for crew members and technical personnel.



Surveillance, inspection, and sealing of aircraft during ground operations.



Locked Phase II security cockpit doors during all flight phases.



Screening and inspection of passengers and their personal belongings.



Monitoring threats and acts of illicit interference within the air industry and Volaris' competitive scope.



Screening, surveillance, and handling of potentially illicit materials in cargo.



Managing contingencies and emergency responses.



Auditing and monitoring process of security service providers.



Aviation security quality control tests to measure compliance with regulations and Volaris internal security procedures.

Furthermore, Volaris is continuously working with airports' administrator so that the flow of inbound and outbound passengers remains separated to guarantee aviation security for international flights, according to the U.S. Transportation Security Administration (TSA) and other civil aviation authorities' requirements.

During 2024, Volaris did not receive any material fines from TSA for non-compliance with established aviation security measures⁷⁶.

Additionally, all our Ambassadors and other security personnel receive continuous aviation security education, which include the following topics:

- Security measures according to their responsibilities.
- Use of technology, such as X-ray and explosive trace detectors, for baggage and passenger screening.
- Management of contingencies and emergencies, like bomb threats, hijacking, or other illicit interference acts.
- Respect for human rights.
- Management of sensitive security information and reporting processes.

⁷⁶ Volaris has applied a threshold of U.S. \$14 million to determine the significance of such issues for sustainability reporting purposes.



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SAFETY

We utilize a comprehensive Safety Management System (SMS) that complies with ICAO, IATA, and both national and international regulations. This system is certified, audited, and verified by a third party (civil aviation authorities) and enables us to proactively identify and mitigate hazards and safety risks, using advanced methods to evaluate and address the root causes of aviation incidents and accidents.

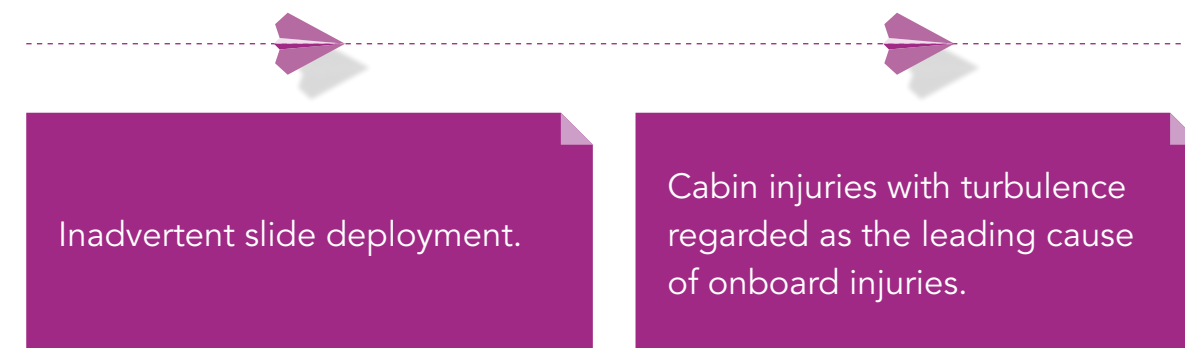
We have defined safety performance indicators (SPIs) based on an average of at least 36 months to track our safety performance, identify safety risks, and promote their mitigation. The safety performance indicators are audited and certified by civil aviation authorities and monitored periodically by the Safety Review Board, which includes oversight from our Senior Management and the Safety Team. They are classified into two main types:

- 1 Lagging indicators, which measure events that have already occurred.
- 2 Leading indicators, which measure the processes and inputs that are being implemented to improve or maintain our operational safety standards.

Our safety department focuses on proactively preventing and/or monitoring the following:



Other safety events that are not necessarily confined to the cockpit also are reviewed, such as:



In 2024, our harmonized accident rate (per million sectors) was zero and we did not have any passenger fatalities⁷⁷ attributable to the Company's operations.

⁷⁷ A passenger fatality is one that happens as a direct result of the Company's operations. It excludes idle-related events (i.e., a fatality during a trip through no fault of the company) and no passenger fatalities (e.g., employees, contractors, no passenger civilians).

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Safety Tools

To support our SMS, we have implemented a variety of management tools for safety risk mitigation:

➤ **Flight Data Analysis:** We have a Flight Data Analysis (FDA) program that allows us to compare actual flight parameters against standard operating procedures (SOPs). This program is a key element of our SMS and is crucial to identify where there may be an opportunity for improvement or to provide accurate data to investigate flight safety events. Thus, the FDA offers valuable information to mitigate risk and prevent repeat incidents.

➤ **Wireless Extension for the ACMS⁷⁸ (WEFA) system:** In 2024, we continued to increase the use of our 3G wireless flight data transmission technology in our aircraft to better monitor pilot performance, enhancing predictive hazard identification systems of the SMS for greater efficiency. **By the end of 2024, this technology had been used in 99 of our planes.**

➤ **SMS Report and Audit Control:** The Aviation Quality Database (AQD) is a comprehensive and integrated set of tools supporting safety reporting and quality assurance. The AQD allows users to report any situation where safety protocols have been or could be breached. It also serves as a platform to record internal and external quality/safety audits. The AQD also tracks and manages corrective and preventive measures.

➤ **Airport Safety Inspections:** We continued airport safety inspections to confirm that risk mitigation procedures were implemented.

➤ **Safety Culture Survey:** We conduct an annual safety culture survey in line with the objectives, procedures, and policies of the SMS focused on our operational Ambassadors. The survey's results are used to identify areas for improvement and asses the SMS level of understanding. It covers the following topics:

- Perception of safety culture in the Company.
- Engagement of departments with safety.
- Dissemination of safety information.
- Training and procedures.
- Ambassadors' initiatives on safety.
- A culture of reporting deficiencies and hazards.
- Action against incidents and accidents.

In 2024, results showed a positive perception of our safety culture among our Ambassadors.

During the year, we continued to enhance our SMS training and education programs. This included a review of the syllabus and ensuring materials are available in both Spanish and English languages to allow more effective training. Overall, **during 2024, 6,174 Ambassadors and 6,326 suppliers received SMS training and education.**

Chart 11: Ambassadors and Suppliers Who Received SMS Training and Education by Geography

Country	Ambassadors	Suppliers
Mexico	5,873	2,841
Costa Rica	140	2,471
El Salvador	161	1,014
Total	6,174	6,326



⁷⁸ ACMS: Aircraft Condition Monitoring System.



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SAFETY REGULATORY COMPLIANCE AND CERTIFICATIONS

In 2024, we complied with all applicable safety regulations and maintained several certifications across our operations:

Volaris Mexico



- Mexican Civil Aviation Law, which establishes that airlines must implement measures to ensure the safety of operations and, therefore, of customers and crews.
- Mexican Official Standard NOM-064-SCT3-2023, which establishes the specifications to be met by the SMS.
- IOSA Certification (2025—2027).
- SMS Certificate (since 2015).

Volaris Costa Rica



- IOSA Certification 2025—2027.
- SMS Certificate (since 2019).

Volaris El Salvador



- First IOSA Certification in 2023, valid until November 2025.
- SMS Certificate (since 2022).



In 2024, Volaris maintained its membership in the **Flight Safety Foundation**, an independent organization that offers expert safety guidance and resources to the global aviation and aerospace industry.

Additionally, **Volaris was recognized as one of the Top 20 Safest Low-Cost Airlines by AirlineRatings.com**. This recognition, based on criteria such as ICAO audit results, incident and accident records, fleet age, and more, reflects our unwavering commitment to operational safety.



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MAINTENANCE

Our aircraft maintenance engineering and planning departments maintains, updates, and controls the Volaris Maintenance Program, which is approved by the Federal Civil Aviation Agency (AFAC) of Mexico, the Federal Aviation Administration (FAA) of the U.S., the General Directorate of Civil Aviation (DGAC) of Costa Rica, and the Civil Aviation Authority (AAC) of El Salvador, as applicable.

All maintenance is planned and performed to comply with current regulations and is based on manufacturer recommendations. Maintenance activities are carried out by our qualified technicians at a repair station approved by the aviation authorities of Mexico (AFAC) and the U.S. (FAA - under U.S. Federal Aviation Regulation Part 145). Maintenance also may be handled by certified maintenance suppliers, who undergo continuous training to ensure quality and compliance and also are certified by the applicable aviation authorities.

Our fleet operates under FAR 129 rules, as the operation includes flights into U.S. territory. Also, all U.S.-registered aircraft maintenance (and operation) is under FAA surveillance. We perform routine and non-routine maintenance, which fall mainly into the following general categories:



➤ **Line maintenance:** Includes daily and weekly reviews of our aircraft, and minor routine checks and servicing, such as “A” checks covering the aircraft systems, engines, and components. It also includes routine diagnostics and repairs, and any unscheduled and necessary repairs. Currently, the line maintenance activities are mainly performed by our mechanics, complemented by contracted third parties at certain airports. Line maintenance includes groups of scheduled tasks that may take around six days to complete and are typically required every 24 months.

➤ **Major maintenance:** Encompasses more complex functions that may take up to six weeks and are performed in a hangar. Major engine maintenance is performed approximately every six years and involves more complex activities performed by specialized shops approved by the engine manufacturer.

➤ **Component service or component maintenance:** Involves preventive and corrective maintenance on various aircraft components, including wheels, brakes, valves, hydraulic pumps, and computers. It also includes servicing major assemblies such as landing gear systems and the Auxiliary Power Units (APUs).

In addition, we have long-term contracts with certified suppliers for the maintenance of our engines and other components, as well as for our airframes.



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Cybersecurity, Data Protection and Customer Privacy

By safeguarding our information systems and protecting our stakeholders’ personal data, we uphold our corporate reputation, maintain trust, and comply with data protection and privacy regulations. Our approach is guided by key laws across the countries where we operate, including:

- Mexico’s Federal Law on the Protection of Personal Data Held by Private Parties (LFPDP)
- California’s Consumer Privacy Act (CCPA/CPRA)
- Costa Rica’s Law on the Protection of the Person Regarding the Processing of Their Personal Data (Law No. 8968)
- El Salvador’s Law on the Protection of Personal Data

We are committed to continually enhancing our cybersecurity posture and data protection capabilities. This includes regularly reviewing applicable legislation, evaluating emerging technologies, and updating our internal processes and policies.





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Our cybersecurity and data protection strategy is overseen by the Board of Directors – through the Audit Committee and the IT and Cybersecurity Working Group, led by the Senior Director of Technology and Corporate Transformation. The IT and Cybersecurity Working Group meets quarterly to assess emerging risks, implement controls, and evaluate the effectiveness of our cybersecurity strategy. For more information about the integration and main duties of this Working Group, please refer to the **Our Committees and Working Groups** .

In 2024, we took specific actions to enhance our cybersecurity and data protection maturity, including:

➤ **Secure infrastructure management:** Use of secure servers, databases, and networks to prevent unauthorized access, data interception, and cyberattacks. Our practices are aligned with the ISO/IEC 27001:2013 standard and the National Institute of Standard and Technology (NIST) Cybersecurity Framework. We undergo external audits at least annually to validate our practices and drive continuous improvement.

➤ **Vulnerability testing:** Periodic third-party vulnerability assessments, including simulated hacker attacks, to detect weaknesses and mitigate potential threats.

➤ **Phishing simulations:** Regular simulations to raise awareness, improve detection capabilities, and strengthen identity protection.

➤ **Incident response protocols:** Deployment of incident response playbooks to standardize and accelerate our reaction to cyber events.

➤ **Training and awareness:** Annual mandatory cybersecurity, privacy, and data protection training for all Ambassadors. **In 2024, 99% of our Ambassadors completed these training.**

➤ **Emerging technologies:** Evaluation of new technologies, such as generative AI, and implementation of specific controls to mitigate risks associated with their adoption.

In addition, we implemented a comprehensive strategy to enhance management of personal data throughout its life cycle. This included:

- Adoption of advanced data discovery technologies.
- Enhanced governance through Privacy Impact Assessments (PIAs), Records of Processing Activities reviews, and updated consent and cookie management procedures.
- Integration of risk management into our privacy governance framework, reinforcing operational safeguards and our internal policy structure.

We also incorporate liability and data protection clauses into new contracts with suppliers that handle personal data to comply with regulations and to mitigate potential risks associated with the mishandling of or unauthorized access to sensitive information. As part of our oversight process, **we conduct regular compliance reviews of our suppliers' data protection practices.** These include the use of Privacy Due Diligence Questionnaires (DDQs), Privacy Impact Assessments (PIAs), and evaluations of Records of Processing Activities, which allow us to monitor the alignment of third parties with our privacy standards and obligations.

In support of these efforts, our Information Security Standards Policy mandates that all Ambassadors and third parties promptly report any actual or suspected information security incidents through designated channels. **Violations of information protection policies or legal obligations may result in disciplinary or legal action.**



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➤ **Cybersecurity, Data Protection and Customer Privacy**

Related to our data privacy efforts, we believe they are fundamental to earning customer and other stakeholders' trust and enabling our digital future. Our privacy policies apply across all operations, including suppliers, and include:

- Personal Data Protection General Policy
- Data Subjects Access Rights Policy
- Blocking and Cancellation of Personal Data Policy
- Personal Data Violation Policy
- Data Classification Policy
- Evaluation of Personal Data Provider Policy

All customer data is used in accordance with our Privacy Notice and Privacy Policy⁷⁹. Customers have the option to control how their personal data is collected, used, retained, and processed. We guarantee our customers the right to access, rectify, cancel, and oppose the processing of their personal data. Volaris retains customer data in accordance with the applicable regulations.

We also promote contractual obligations with third parties through agreements and/or other binding documents implement the adequate security, administrative, technical, and physical measures and use customers' data exclusively for authorized purposes and in accordance with our Privacy Notice.

⁷⁹ Our Privacy Policy applies to our California operations.

⁸⁰ Volaris has applied a threshold of U.S. \$14 million to determine the significance of such issues for sustainability reporting purposes..

Thanks to these efforts, **in 2024, we did not identify any material breaches or leaks of our customers' data, and we did not sell or rent customers' personal data to third parties.**⁸⁰

We acknowledge the importance of building cyber resilience. Although we maintain strong controls to prevent and detect cyber threats, cybersecurity is a constantly evolving risk. As such, there remains the possibility of a significant cyberattack that could exceed our preventive and response capabilities.





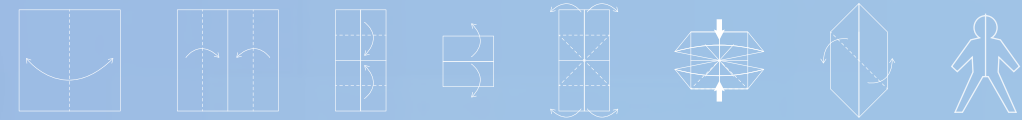
Our Ambassadors

Workforce Composition

Human Talent Management

Labor Practices

Folding the talent that drives our growth



6,901 Ambassadors

40% of women in all management positions

75% of Volaris Ambassadors were unionized

GRI 2-7, 2-30, 3-3, 4-4, 401-1. 401-3, 403-1, 403-2, 403-4, 403-5, 403-6, 403-8, 403-9, 403-10, 404-1, 404-2, 405-1, 405-2, 407, 407-1
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Our Ambassadors

At Volaris, our employees are referred to as “Ambassadors,” as they represent our Company, embodying our mission and values for our customers and other stakeholders. All our Ambassadors are part of the Volaris Family.



Our people-centered culture is governed by five axes: health, family, professional development, spirit and social commitment. We recognize that maintaining our strong culture and ensuring the well-being of our Ambassadors is central to sustaining our operations and growth. Through the Social pillar of our Corporate Sustainability Strategy, we focus on prioritizing Ambassadors’ well-being, human talent management, and ethical labor policies that allow us to attract, develop, train, and retain the right team. This includes our effort towards community engagement and ongoing work against human trafficking.

The Board of Directors oversees our people management strategy through the Compensations and Nominations Working Group, which reports directly to the Corporate Governance Committee. This Working Group receives quarterly updates on talent management and labor practices topics, including compensation and benefits, turnover, employee engagement, human talent management and labor relations. This strategy is closely monitored by our President and CEO.



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Ambassadors

Workforce
Composition

Human Talent
Management

Labor
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Workforce Composition

Volaris remains a driving force of economic growth. By the end of 2024, the Volaris Family consisted of 6,901 Ambassadors with a ratio of 45 full-time employees (FTE) per aircraft. We did not have any temporary or non-guaranteed labor contracts with our Ambassadors.

The following tables show the distribution of our workforce composition:

Chart 12: Total Employees by Employment Type and Gender

	2022			2023			2024		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Permanent	3,429	3,935	7,364	3,369	3,829	7,198	3,138	3,763	6,901
Part-time	573	271	844	465	185	650	342	128	470
Full-time	2,856	3,664	6,520	2,904	3,644	6,548	2,796	3,635	6,431



Chart 13: Total Employees by Age Group

	2022	2023	2024
<30 Years	47%	47%	42%
30-50 Years	47%	47%	51%
>50 Years	6%	6%	7%

Our Ambassadors

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Chart 14: Total Employees by Gender

	2022		2023		2024	
	Ambassadors	%	Ambassadors	%	Ambassadors	%
Women	3,429	47%	3,369	47%	3,138	45%
Men	3,935	53%	3,829	53%	3,763	55%
Total	7,364	100%	7,198	100%	6,901	100%

Chart 15: Employee Gender by Role

	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
Senior management ⁸¹	0%	100%	0%	100%	0%	100%
Top management ⁸²	20%	80%	22%	78%	45%	55%
Junior management ⁸³	49%	51%	43%	57%	46%	54%
Management positions in revenue-generating functions ⁸⁴	58%	42%	55%	45%	50%	50%
All management positions	41%	59%	40%	60%	46%	54%
STEM-related positions	5%	95%	34%	66%	43%	57%

Chart 16: Employee Gender by Geography

	2022		2023		2024	
	Ambassadors	%	Ambassadors	%	Ambassadors	%
Mexico						
Women	3,283	47%	3,150	47%	2,964	45%
Men	3,760	53%	3,611	53%	3,567	55%
Total	7,043	100%	6,761	100%	6,531	100%
Central & South America						
Women	146	45%	219	50%	174	47%
Men	175	55%	218	50%	196	53%
Total	321	100%	437	100%	370	100%

⁸¹ Refers to our C-Suite and our Senior Director of Corporate Audit Services and Risk Assessment.
⁸² Refers to Senior Managers, Directors, and Senior Directors.
⁸³ Refers to Leaders, Heads, Senior Heads, and Managers.
⁸⁴ Includes Leaders, Heads, Senior Heads, Managers, Senior Managers, Directors, and Senior Directors in areas that generate revenue.

Our Ambassadors

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7 Human Talent Management

Labor Practices

Human Talent Management

Volaris takes a holistic approach to talent management, starting with a robust pipeline of potential employees through proactive outreach and relationship management. This approach is reinforced by comprehensive compensation, benefits, employee development, and engagement programs.

TALENT ATTRACTION AND RETENTION

At Volaris, attracting and retaining the most qualified talent is essential to our success. We continuously seek to identify, attract, and select the best talent aligned with our culture, values, and the strategic needs of the Company. Our robust policies and guidelines foster transparent and efficient selection processes free of discrimination, so that all hiring decisions are based on objective criteria.

Strategic Alliances for Recruitment

With the aim of strengthening our talent pipeline, we have established long-term partnerships with educational institutions to help students get to know our Company and the opportunities we offer. We actively participate in workshops with these institutions to offer students practical tips for preparation for the world of work, and to carry out recruitment efforts.

At Volaris, we believe in the new generation's potential to shape the future of our Company. That's why we are preparing to meet the challenge of attracting this talent through modern, result-driven recruitment strategies. We have implemented new tools that are already delivering strong outcomes, including:

- **Employee Value Proposition (EVP):** The set of benefits, experiences, and values we offer to our Ambassadors. This comprehensive proposal seeks to create engaging and meaningful work experience that aligns individual expectations with Volaris' strategic objectives.
- **Recruitment branding:** Building a strong employer brand across platforms to position ourselves as an employer of choice for top talent.

These strategies allow us to connect more authentically with candidates and showcase the value of building a career at Volaris. **In 2024, our LinkedIn followers increased 37% vs. 2023.**



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Internships and Scholarships

We have education and scholarship programs that are designed to attract young talent and develop the future leaders of Volaris. These programs align with our initiative to promote young talent's interest in the aviation industry. These include:

Development Galaxy: A talent development program composed of two initiatives:

➤ **Novas (Interns):** Offers students their first hands-on experience in the workplace across a wide range of disciplines, from administrative functions to STEM-related fields like Engineering in Maintenance or Planning, allowing them to actively contribute to real projects in both corporate and technical areas.

This program also plays a key role in encouraging more young people to explore careers in an industry full of opportunities, expertise, and impact.

➤ **Satellites (Trainees):** Provides recent graduates an accelerated learning program that offers the opportunity to participate in challenging and high-impact projects for Volaris. The program features three rotations in different business areas that match the profile and career interests of each participant.

Volaris Pilot Scholarship Program:

Aims to inspire and train a new generation of skilled pilots by supporting some of our Ambassadors and their children in pursuing their dream of becoming aviators. Beneficiaries commit to staying with the Company for at least five years, which helps us meet the growing demand for trained pilots as we continue to expand.

➤ **Becánicos:** Aims to develop in-house technical talent by offering scholarships to Ambassadors in maintenance and airport operations who aspire to become certified aeronautical mechanics. The program supports their professional growth through formal training, while also helping the Company build a stronger internal pipeline of specialized talent.

In 2024, 67 students joined the program and 25 of them were hired, 19 in maintenance and six in corporate roles.

In 2024, we launched the third generation of the program, welcoming nine new participants, all children of our Ambassadors.

The first cohort began in July 2024 with eight participants, five from the maintenance area and three from airport operations.

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Fostering Internal Hiring

One of the fundamental pillars of our approach to talent attraction and retention is our Internal Opportunity System program (SOL), which allows Ambassadors to apply for available vacancies within the Company, promoting internal mobility and professional growth. In addition, this program contributes to:

- **Stabilized workforce:** Promoting workforce stability by fostering commitment to the organization.
- **Increased productivity:** Faster onboarding in new positions.
- **Reduced turnover and costs:** Lowering associated costs by retaining existing talent.

In 2024, the percentage of open positions filled by internal candidates was 27% (vs. 17% in 2023).

Chart 17: Number of Internal Candidates Hired to Fill Open Positions by Gender

	2022	2023	2024
Women	122	107	63
Men	179	148	127
Total	301	255	190



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New Hires and Turnover

In 2024, we hired 506 new employees in Mexico, Central and South America, with an average of UWE \$4,850⁸⁵ spent on hiring costs per FTE.



Chart 18: New Employee Hires by Gender and Geography

	2022			2023			2024		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Mexico	725	786	1,511	487	585	1,072	197	295	492
Central & South America	79	85	164	100	78	178	6	8	14
Total	804	871	1,675	587	663	1,250	203	303	506

Chart 19: New Employee Hires by Role in 2024

	Mexico	Central & South America	Total
Top executives ⁸⁶	3	-	3
Junior management ⁸⁷	49	4	53
Individual contributors ⁸⁸	440	10	450
Total	492	14	506

⁸⁵ Underlying Workforce Expenses (UWE) in U.S. dollars.

⁸⁶ Refers to Senior Managers, Directors, Senior Directors, Chiefs, the Executive VP, and the President and CEO.

⁸⁷ Refers to Leaders, Heads, Senior Heads, and Managers.

⁸⁸ Refers to Auxiliaries, Analysts, and Specialists.

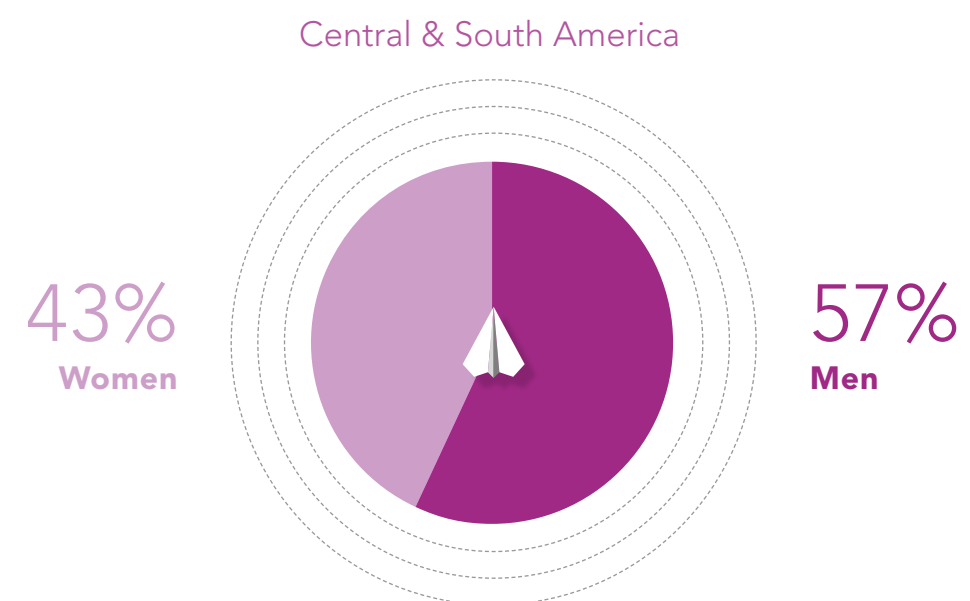
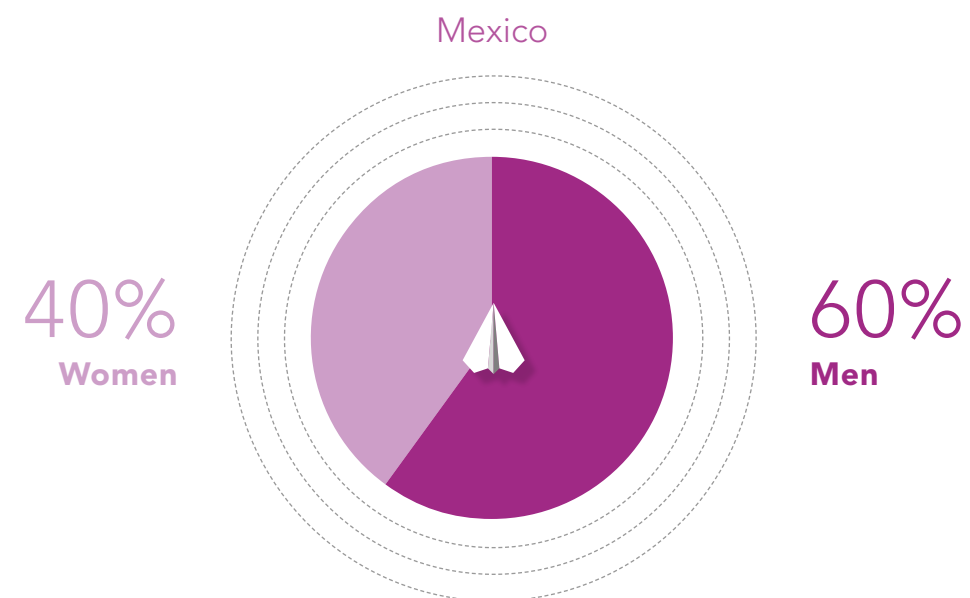
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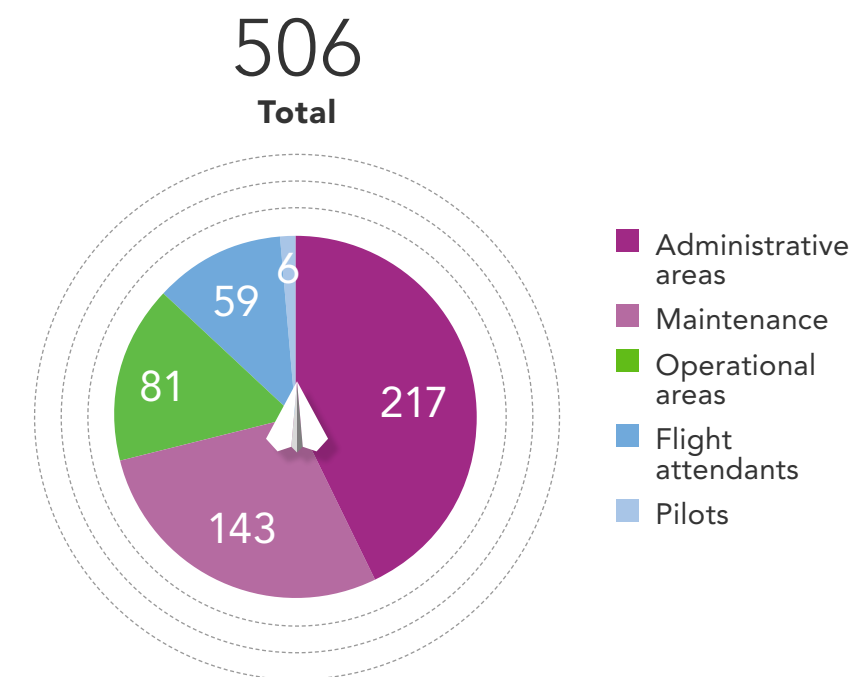
Human Talent Management

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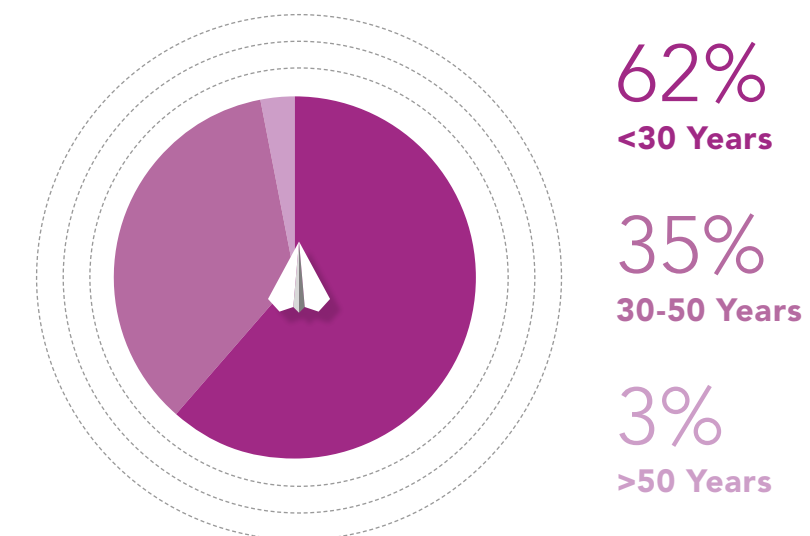
Graph 1: New Employee Hires by Gender and Geography in 2024



Graph 2: New Employee Hires by Position/Guild in 2024



Graph 3: New Employee Hires by Age in 2024



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We monitor our turnover rates to assess the stability and retention of our team. In 2024, we achieved a total turnover rate of 11%, reflecting a notable improvement compared to 20% in 2023. Additionally, our voluntary turnover rate decreased to 7%.

Chart 20: Turnover by Gender and Geography

	2022			2023			2024		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Mexico	488	544	1,032	739	620	1,359	377	330	707
Central & South America	8	4	12	27	34	61	51	29	80
Total	496	548	1,044	766	654	1,420	428	359	787

Chart 21: Turnover Rate by Gender and Geography⁸⁹

	2022			2023			2024		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Mexico	7%	8%	15%	11%	9%	20%	6%	5%	11%
Central & South America	5%	4%	10%	6%	8%	14%	14%	8%	22%

⁸⁹ Personnel turnover rate refers to the personnel rotation in terms of total Ambassadors at the end of the year.



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Chart 22: Turnover by Role in 2024

	Mexico	Central & South America	Total
Top Executives ⁹⁰	1	0	1
Junior Management ⁹¹	71	2	73
Individual Contributors ⁹²	635	78	713
Total	707	80	787

Chart 23: Turnover Rate by Role in 2024

Role	Mexico	Central & South America
Top executives	0.1%	0.0%
Middle management	1.1%	1.0%
Individual contributors	9.6%	21.0%
Total	10.8%	22.0%

Chart 24: Turnover Rate by Age in 2024

Age	Mexico	Central & South America
0-30	5.6%	9.0%
31-50	4.3%	13.0%
51-99	0.9%	0.0%
Total	10.8%	22.0%

EMPLOYEE ENGAGEMENT

In 2024, we conducted our annual Engagement Survey, which for the first time was integrated with the NOM-035-STPS assessment, conducted every two years to evaluate psychosocial risk factors. This joint effort allowed us to gain a more comprehensive understanding of our Ambassadors' experience, including their engagement with the Company, work environment, leadership, and well-being.

The survey, developed in collaboration with an external consultancy, invited Ambassadors to rate their level of engagement on a five-point scale, focusing on four key areas:

- Engagement
- 7 P's model – Passion, Peace, Participation, Plurality, Progress, Ownership (*Propiedad*), and Purpose
- Leadership
- Sustainability⁹³

We achieved a 98% response rate from Ambassadors in Mexico, and the results showed that 96% of respondents were at the highest level of engagement, a 1 percentage point increase compared to last year. Additionally, the integration of the NOM-035-STPS framework confirmed a low level of psychosocial risk and a 2% reduction in risk perception compared to 2023. Based on these insights, we developed action plans in collaboration with our leadership team to continue strengthening our workplace culture.

In 2024, we defined the strategy for our Buddy Program, aimed at supporting new hires during their first three months at the Company by fostering cultural integration and strengthening early engagement. The program, named **CompassVOI**, is now ready to be launched in 2025, following a strategic alignment of priorities that ensures its integration into our broader onboarding and talent development efforts.

⁹⁰ Refers to Senior Managers, Directors, Senior Directors, Chiefs, the Executive VP, and the President and CEO.

⁹¹ Refers to Leaders, Heads, Senior Heads, and Managers.

⁹² Refers to Auxiliaries, Analysts, and Specialists.

⁹³ In 2024, Sustainability was added as a value in the Code of Ethics, and this category includes three questions about environmental awareness and Volaris' commitment to sustainability.

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EMPLOYEE DEVELOPMENT

We prioritize the ongoing development of all our Ambassadors to help them achieve their personal and professional goals.

Employee development is built around our Volaris Competency Model, a set of behaviors and skills critical for all Ambassadors.

In 2024, we redesigned the Competency Model with the objective of providing a clearer, more agile tool aligned with our business strategy.

This new model is built around five global competencies: results orientation, agility, positive leadership, connection, and collaboration, which are fundamental to strengthening leadership and professional development. Building on these five global competencies, we also introduced specific competencies by function and level of contribution. This enables us to set clear expectations, enhance talent management, and standardize our evaluation frameworks.



Specific Competencies

- ➔ **1** • Business Acumen
• Critical and Analytical Thinking
- ➔ **2** • Creativity and Innovation
• Learning Agility
• Digital Mindset
- ➔ **3** • Positive Leadership
• Resilience and Adaptability
- ➔ **4** • Assertive Communication
• Negotiation
- ➔ **5** • Teamwork
• Service Orientation



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Training and Education

In alignment with our Competency Model, we provide a range of training and education opportunities for our Ambassadors. These are designed to facilitate personal and professional development, including ensuring that all employees stay updated on relevant best practices for key topics including operational, safety, administrative, and customer service regulations and best practices.

In 2024, the average hours of training and development per full-time employee (FTE) was 7.1 hours,⁹⁴ with an average of U.S. \$74 spent per FTE on training and development.

⁹⁴ Includes only Volaris Corporate University courses.
⁹⁵ The total for the pilot category also includes 54 flight dispatchers.
⁹⁶ The number of trained Ambassadors reflects the ability to participate in several courses throughout the year.

Our training programs are divided into five primary areas:

- 1 **Regulated Technical Training**
Regulated technical training is designed to help ensure Volaris complies with the training requirements mandated by the authorities in the countries where we operate.



Chart 25: Number of Regulated Courses Taught by Guild and Gender in 2024

	Pilots ⁹⁵	Flight Attendants	Maintenance	Dispatch	Total
Courses offered	1,814	345	89	98	2,346
Number of Ambassadors trained ⁹⁶	8,291	5,421	1,038	1,562	16,312
Women trained	304	1,890	99	296	2,589
Men trained	5,210	651	939	1,266	8,066

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2 Volaris Corporate University

The Volaris Corporate University is a virtual platform where our Ambassadors can access and complete the required training certifications, including courses related to our governance, ethics, and safety and security programs.

Chart 26: Volaris Corporate University Courses, Training Hours, and Ambassadors Trained by Gender in 2024

Mandatory Courses ⁹⁷	Training Hours ⁹⁸	Women Trained	Men Trained	Total Ambassadors Trained	% Completion / Active Population ⁹⁹
PCV: Key Control Policies	389	369	408	777	100%
SMS: Safety Management System (Type A, B, C)	5,885	2,629	3,256	5,885	100%
COEV: Volaris Code of Ethics	6,799	3,095	3,704	6,799	100%
ECPAT: End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes	3,485	3,226	3,744	6,970	100%
PDP: Personal Data Protection	3,485	3,225	3,744	6,969	100%
FCPA: Anti-Corruption Practices	641	276	365	641	100%
SI: Information Security Matter	3,400	3,095	3,704	6,799	100%
Human Rights: Promoting Dignity and Respect	3,397	3,093	3,701	6,794	100%

⁹⁷ The target group for the Mandatory Courses was defined based on the most recent active list of Ambassadors prior to the launch, as well as each Ambassador's role and position.

⁹⁸ Average length of the mandatory courses: 30 minutes.

⁹⁹ Active population refers to the total number of Ambassadors assigned to complete the training and does not necessarily reflect the total number of Ambassadors at year-end.

3 Non-Mandatory Training

We offer our Ambassadors a variety of non-mandatory training throughout the year to strength both their soft and hard skills. In some cases, we offer agreements with universities to facilitate the continued education of our Ambassadors. The non-mandatory training programs offered to our employees include language, skills management, digital transition programs, and software, among others.

Chart 27: Ambassadors Trained in Non-Mandatory Courses by Gender in 2024

	Women Trained	Men Trained	Total Ambassadors Trained	% FTE Participation	Total Training Hours
Non-Mandatory Courses	610	1,106	1,716	27%	3,013





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4 Human Rights Training

In 2023, the “Human Rights: Promoting Dignity and Respect” course was updated and subsequently launched to all Ambassadors during the second half of 2024. The course explores certain brain functions, how they can lead to stereotypes or cognitive biases, and the impact these have on decision-making. By addressing these issues, the training aims to enhance awareness, empathy, and respect for various cultural backgrounds, practices, and perspectives. Moving forward, the course will be delivered annually across the entire organization.

Throughout the year, we continued to reinforce these topics among our Ambassadors to promote a violence-free workplace, equal opportunities for all, and customer service improvement. Additionally, aligned with our Program for the Prevention of Child and Adolescent Trafficking for the Purpose of Commercial Sexual Exploitation (ESCNNA, by its acronym in Spanish), we conducted a mandatory e-learning training¹⁰⁰ for our operations Ambassadors on the implementation of our ESCNNA Protocol.

5 Volaris Leadership Academy

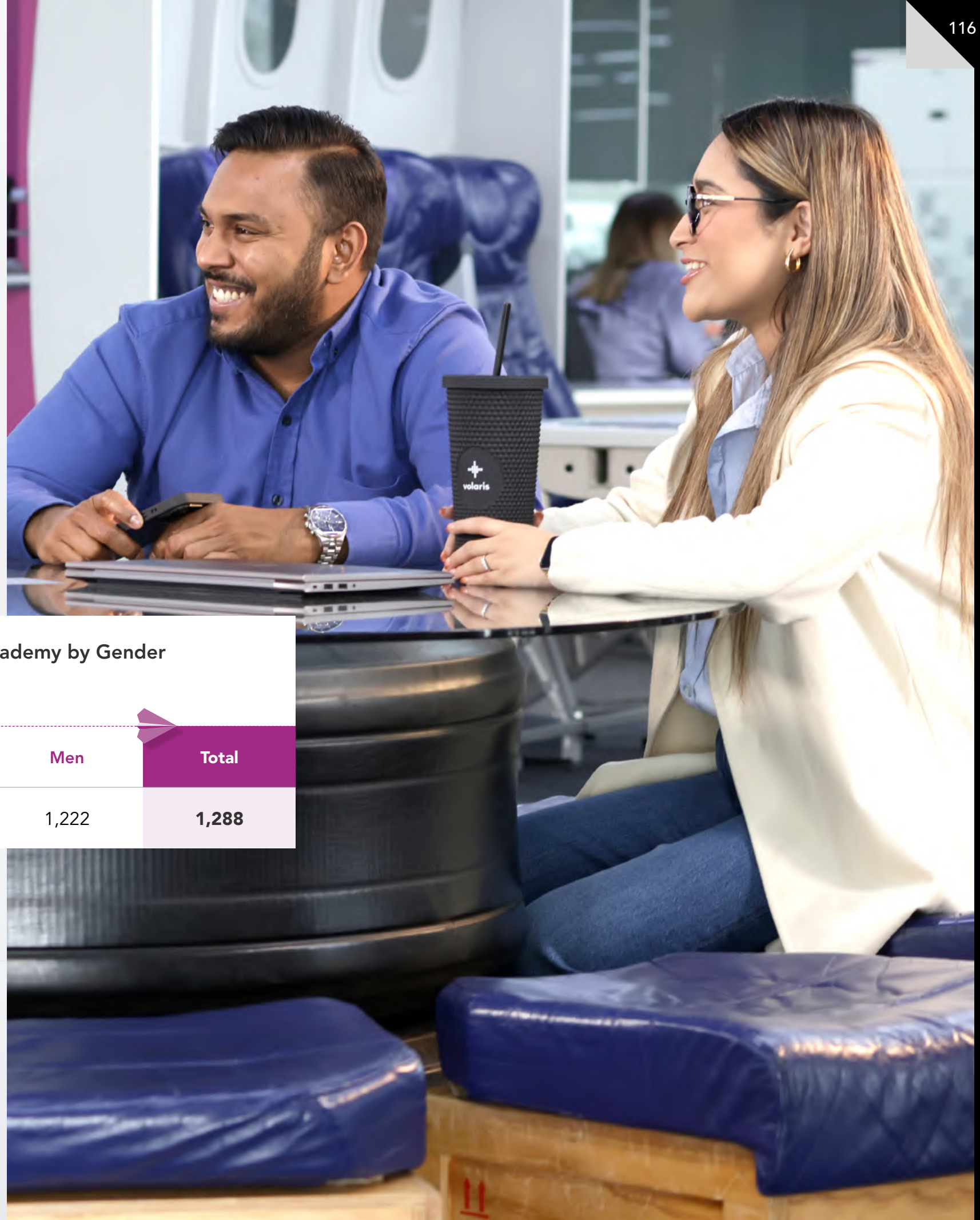
The Volaris Leadership Academy is a program designed to develop effective leaders. It is based on three areas: culture, leadership capabilities, and ways of working. During 2024, we began the development of new leadership programs tailored to the various professional groups within the organization. These programs will be based on the Volaris Competency Model and will begin to roll out in 2025.

Chart 28: Participation in Leadership Academy by Gender in 2024

	Women	Men	Total
Leadership Academy ¹⁰¹	66	1,222	1,288

¹⁰⁰ See Chart 20. Volaris Corporate University Courses, Training Hours, Ambassadors Trained by Gender for information about Ambassadors trained in the “ECPAT protocol”.

¹⁰¹ The target group of the Leadership Academy in 2024 was pilots, where the number of men predominates significantly.





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Other programs offered to develop leadership skills include:

- **Individual programs:** focus on coaching, leadership sessions, shadowing, profile evaluation, and feedback.
- **Group programs:** focus on team coaching, group training, leadership sessions, sessions to strengthen collaboration, and working methods.

In 2024, we broadened our group programs through the following:

Tobera Program



Description:

- 9 hours of training, a theoretical test, and execution of an improvement project based on Six Sigma methodology.
- A total of 10 participants.

Objective:

- To define, measure, analyze, improve, and control specific business topics that have a direct impact on our safety, profitability, and/or customer service.

Impact on the Company:

- Cost saving and additional revenue through the over-booking process redesign.

Feedback Workshop



Description:

- 40 hours of training, theoretical and practical application, and improvement projects for different areas.
- A total of 528 participants from both operational and administrative areas took part in the workshop.

Objective:

- Strengthen effective feedback skills to improve communication, support team development, and enhance decision-making while fostering a culture of trust, continuous learning, and strategic alignment.

Impact on the Company:

- Improvement projects were developed and aligned with specific needs, such as recognition programs, retention strategies, and improvement in operational processes.



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Performance Evaluations

As part of our professional development efforts, we have implemented a performance appraisal system designed to periodically assess and enhance the skills of our Ambassadors to promote career growth and contribute to our business success. This system involves setting objectives and conducting annual reviews to promote continuous improvement and alignment with our strategic goals. **Our performance evaluation programs are linked to our Ambassadors' variable compensation.**

Moreover, we conduct biannual assessments specifically designed to evaluate leadership skills for managerial positions:

- **Leader Net Promoter Score:** Using a 360° methodology, this tool evaluates the development level of leaders' competencies and behaviors.
- **Talent review:** A 9-box methodology is used to map succession benches for key management positions.

Finally, we continue to evolve our approach to performance management by embracing **agile performance practices**, focusing on fostering continuous and collaborative conversations throughout the year. One initiative that promotes agile development is the New Leader Transition Program, which is designed to support recently appointed leaders during their first months in a new role.



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We believe that promoting good labor relations with our Ambassadors is essential for our Company's success. We aim to adhere to all relevant national and international standards to provide strong occupational health and safety practices, equal opportunities, a fair and inclusive work environment, and promote human rights, such as freedom of association.

As we continue to support a non-discriminatory organizational culture, we believe that fostering innovation, encouraging creativity, and securing a strong talent pipeline are key to achieving our business objectives.

Some of our best labor practices are supported by the Internal Policy. This Policy provides guidelines to hire and promote Ambassadors, and develop their careers at Volaris, based on merit. It encourages transparent and non-biased compensation, promotion, development plans, and performance evaluations; also, it requires inclusivity-aware training and coaching processes.

The Policy complements and reinforces the guidelines set forth by the Volaris Code of Ethics, prohibiting mistreat, violence, and segregation toward and among employees based on physical appearance, culture, disability, language, sex, gender, age, economic status, health or legal status, pregnancy, marital or civil status, religion, political beliefs, ethnic or national origin, sexual orientation, and immigration status, among others, and requires ethical, egalitarian, and non-discriminatory behavior within the Company.



FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

We recognize our Ambassadors' right to freedom of association and collective bargaining. **In 2024, 73%¹⁰² of our Ambassadors were unionized,** as members of the independent Union of Workers of the Aeronautical, Communications, Similar and Related Industries of the Mexican Republic (STIA).

In 2024, we worked on collaborative initiatives with our Union, such as:

- Held the annual Joint Commission for Employee Profit Sharing (PTU), composed of the union, representatives from each guild (pilots, flight attendants, mechanics, and airport staff) from all bases across the country, and the HR team, prior to the PTU payment.
- Review of the collective bargaining agreement to safeguard labor stability and maintain a positive work environment. **As a result, a four-year multiannual agreement was successfully negotiated, providing employees with visibility on annual wage increases and offering the Company greater certainty for financial planning.**

¹⁰² This figure includes only Volaris' employees based in Mexico.



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Chart 29: Unionized Ambassadors by Trade/Guild¹⁰³

	2022	2023	2024
Total unionized Ambassadors	5,819	5,383	5,024
Percentage of unionized Ambassadors	79%	75%	73%
Number of unionized Ambassadors at airports	972	975	830
Number of unionized Ambassadors in maintenance	495	513	562
Number of unionized pilots ¹⁰⁴	1,489	1,370	1,294
Number of unionized flight attendants	2,863	2,525	2,338

For Ambassadors who are not covered by collective bargaining agreements, we have established a General Compensation Policy and other related policies. These guidelines define and develop the compensation, benefits, and overall labor conditions at various levels within the Company.

¹⁰³ This figure includes only Volaris' unionized employees based in Mexico.

¹⁰⁴ The number of unionized pilots also includes 54 flight dispatch Ambassadors, who are represented by the same union.

¹⁰⁵ Key Ambassadors: Ambassadors recognized for high performance, potential, and key skills, whether identified as high potentials or high experts, due to their consistent contribution to the development and strengthening of the organization.

EMPLOYEE COMPENSATION AND BENEFITS

To support talent recruitment and retention, we continually invest in the physical, mental, and financial well-being of our team through a comprehensive total rewards program that encompasses compensation, benefits, and an emotional salary. The latter considers an Ambassador's growth, development, working conditions, and overall experience at Volaris.

This commitment forms the basis of our General Compensation Policy and associated policies, which are aligned with Volaris' strategy, mission, vision, and practices. To remain competitive in the labor market, **we conduct an annual assessment of our total compensation programs that benchmarks our offerings vs. best practices.**

Our approach to total rewards begins with equitable and fair compensation, comparable to the duties, experience, responsibilities, complexity, and contribution of each role to the results of the Company. We then factor in variable compensations aligned to performance and productivity. In addition, certain key Ambassadors¹⁰⁵ at our Company receive a long-term cash incentive for a three-year vesting period (33% each year), subject to performance and talent review ratings.

The benefits package offered to our Ambassadors is designed to help prioritize their physical health, financial security, mental well-being, and work-life balance. In accordance with Mexican Labor Law, our Ambassadors are entitled to various benefits including paid vacation days, vacation premiums, December bonus, social security, maternity and paternity benefits, and access to breastfeeding/lactation rooms.

All Ambassadors (unionized and non-unionized) are eligible to receive the following benefits:

- Major medical insurance
- Life insurance for natural or accidental death
- Productivity bonus
- Training programs
- Career development programs
- Limited flight tickets
- Access to physical and mental health online platforms, e.g., nutrition programs, psychological counseling, medical counseling, etc.
- Commercial discount agreements



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Unionized Ambassadors receive grocery vouchers for food and can participate in the December Overnight Program for Crew Members.¹⁰⁶

In addition, in 2024, we conducted a gender pay assessment to help us ensure equitable, merit-based compensation throughout our Company. The ratio of fixed monthly compensation of women vs. men by level was identified as follows:

Chart 30: Gender Pay Ratios by Employee Type in 2024

	Ratio
Senior management ¹⁰⁷	-
Top management ¹⁰⁸	0.8
Junior management ¹⁰⁹	0.9
Non-managerial level	0.9
Pilots	0.9
Flight attendants	1.0
Maintenance staff	0.8
Airports	1.0

These are unadjusted figures, which do not take into account various other factors—such as experience, oversight level within these categories, geographic location, or other considerations—that may ultimately impact compensation levels. Our assessment also considered such factors to determine adjusted figures, which were used to determine changes to compensation to “true up”

employees for the work they were doing if discrepancies were identified. As a result, **the mean and median gender pay and bonus gap for the year was 0%**. We have also adjusted compensation to reflect these findings on a go-forward basis, though expect we may perform additional assessment in future to help maintain our efforts on equitable, merit-based compensation.

Finally, we aim, when feasible, to promote practices that support a healthy work-life balance. For example, work-from-home arrangements, flexible working hours, and breast-feeding facilities. Additionally, for our crew members, we have a base transfer policy that allows Ambassadors to request relocation to another city, promoting an improved balance between work and family life. We also offer them the flexibility to voluntarily reduce their flying hours to accommodate their personal needs.

In addition, our benefits plan fosters a culture that recognizes the unique needs of new parents and aims to support them in returning to the workplace, while continuing with a healthy integration between personal and professional life.

In 2024, 100% of Ambassadors returned to work after maternity or paternity leave, and 24% left the organization shortly after their return. This trend is primarily attributed to the nature of certain roles, particularly those involving frequent and extensive travel, such as crew members.

Chart 31: Number of Ambassadors Who Took Paternity or Maternity Leave

	2022	2023	2024
Women	106	113	105
Men	8	9	7
Total	114	122	112

Chart 32: Number of Ambassadors Who Returned to Work After Paternity or Maternity Leave

	2022	2023	2024
Women	85	93	105
Men	8	9	7
Total	93	102	112

Chart 33: Number of Ambassadors Who Returned to Work After Paternity or Maternity Leave and Remained with the Organization One Year Later

	2022	2023	2024
Women	52	71	80
Men	8	9	5
Total	60	80	85

¹⁰⁶ This initiative consists of an invitation to our crew members who fly on December 24 and 31 to take a companion on the flight with them. The objective is that they spend December holidays with their families.
¹⁰⁷ Refers to our C-Suite and our Senior Director of Corporate Audit Services and Risk Assessment.
¹⁰⁸ Refers to Senior Managers, Directors, and Senior Directors.
¹⁰⁹ Refers to Leaders, Heads, Senior Heads, and Managers.



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EMPLOYEES' HEALTH AND SAFETY

We always put the health and safety of our Ambassadors first. We have an Occupational Health and Safety (OHS) Policy and program that is approved by our Senior Management and covers 100% of our Ambassadors. It is aligned to international standards, such as the International Finance Corporation (IFC) Guidelines, regulations of the Mexican Ministry of Labor and Social Security; the Mexican Social Security Institute; the Ministry of Health; the Ministry of Infrastructure, Communications, and Transportation; the Coordination for Civil Protection, and AFAC. We reviewed the compliance with this policy and program at each work center. During the process to improve the program, we ensure our Ambassadors' input.



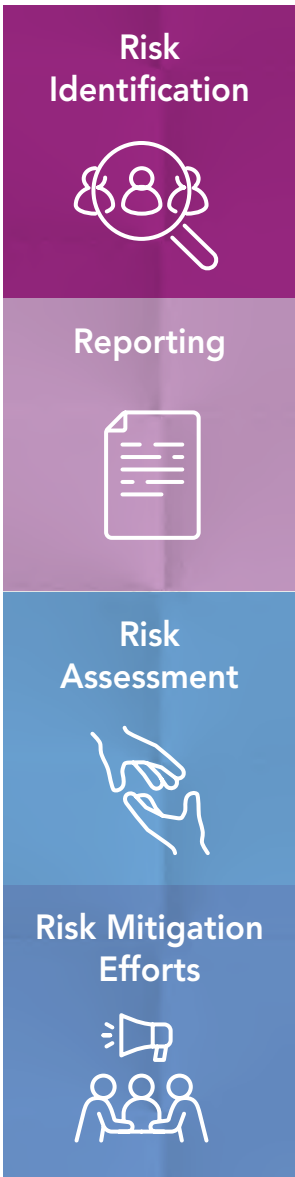
In 2024, we complied with all our regulators' OHS inspections without any significant fines.¹¹⁰

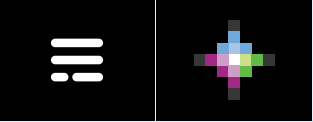
¹¹⁰ Volaris has applied a threshold of U.S. \$14 million to determine the significance of such issues for sustainability reporting purposes.

Occupational Risk Identification and Management

We have an OHS program that includes an Occupational Risk and Disability Management Procedure to track information about occupational risks, work accidents, and lost workdays. As part of this procedure, we conduct an annual assessment of occupational risks, reviewing the severity of injuries our Ambassadors could suffer and hazards they could encounter in the workplace, as well as the total number of recovery days. We also use a risk matrix to understand and manage health and safety risks.

To evaluate potential occupational risks, we follow a four-step process:





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When a work accident occurs (materialized risk), we implement the following steps:

- Accident identification and monitoring through documentation required by the Mexican Social Security Institute (IMSS).
- Risk classification of the possible occupational accident by the IMSS.
- Accident mitigation efforts and recommendations provided by our Health and Occupational Safety team to reduce the likelihood of risks occurring in the future.

In 2024, we identified and resolved 195 occupational risks and developed corrective actions to mitigate their impact or prevent them from materializing. Moreover, we experienced 191 work accidents, four occupational diseases, and no occupational fatalities. Compared to 2023, total occupational accidents and illnesses were reduced thanks to initiatives such as our Health and Occupational Safety Week, health and safety training for all union members, and incident follow-ups to establish mitigation measures.

Chart 34: Work Accidents by Gender

	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
Total Number of Accidents (A)	232	98	223	88	139	52
Total Hours Worked (B)	8,118,419	9,934,765	9,789,435	11,039,149	8,780,360	10,731,552
Accident Frequency Rate (AFR) = (A/B) X 200,000 ¹¹¹	5.7	2.0	2.1	0.8	3.2	1.0

Chart 35: Occupational Diseases by Gender

	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
Number of Occupational Diseases (A)	2	4	5	2	0	4
Total Hours Worked (B)	8,118,419	9,934,765	9,789,435	11,039,149	8,780,360	10,731,552
Occupational Disease Incidence Rate (OIR) = (A/B) X 200,000	0.05	0.08	0.05	0.02	0.00	0.07

¹¹¹ As in past years, women’s accident rate remained higher than men’s. This is attributed to the fact that the flight attendants’ guild, composed of 75% female members, accounted for the highest number of accidents.



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Chart 36: Days Lost Due to Disability by Gender

	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
Total Number of Days Lost (A)	3,846	1,575	4,014	1,357	1,975	1,615
Total Hours Worked (B)	8,118,419	9,934,765	9,789,435	11,039,149	8,780,360	10,731,552
Lost Workdays Rate (LWR) = (A/B) X 200,000	94.8	31.7	82.0	24.6	45.0	30.0

To improve our mitigation efforts, we prioritize and implement action plans with measurable objectives to address identified risks. This includes statistical monitoring of work accidents by location and severity to identify root causes. We have set specific quantitative targets for our operational areas, including:

- Reducing work accidents by **5% compared to the previous year.**
- **Decreasing the average number of days lost** due to occupational accidents year over year.
- Achieving a **participation rate of over 70% in work accident prevention activities.**

We also monitor progress in reducing and preventing health risks by analyzing statistical claims data from our major medical insurance policy to detect trends and address underlying issues. In addition, we have incorporated OHS criteria into our procurement and contractor management processes, requiring that supplier’s personnel be registered with the IMSS and comply with established contractor safety regulations.

Chart 37: Absenteeism Rate by Gender¹¹²

	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
Total Number of Days Lost (Due to Absence) During the Period (A)	4,039	2,567	4,489	2,770	4,660	2,979
Total Number of Days Worked by the Entire Workforce During the Same Period (B)	1,014,567	1,205,673	1,223,538	1,379,735	975,401	1,192,156
Absenteeism Rate (TAL) = (A/B) X 200,000	796.20	425.82	733.80	401.53	955.50	499.76

¹¹² The data coverage for the absenteeism rate is 100%.

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Moreover, we implemented a diagnosis on Preventive Services of Health and Occupational Safety at Work: Functions and Activities, based on the Mexican NOM-030-STPS-2009, to minimize the negative impact associated with risks. Some initiatives being considered are:

- Environmental studies conducted every two years in collaboration with a third-party, to identify and evaluate noise pollution, exposure to chemical substances, and risks caused by improper lighting.
- Use of personal protection equipment.
- Inspection walks in our workplaces.
- Hygiene and occupational safety commissions for each work center to meet quarterly to identify potential risks and evaluate any accidents that may have occurred.
- Prevention training and education programs to raise awareness and prevent OHS risks.

In addition, Ambassadors participate in improving workplace safety by communicating any possible occupational risks through the Volaris Ethics Line and direct communication with the Occupational Health and Safety team.



In 2024, we carried out initiatives to reduce the risk of work accidents and occupational diseases such as:

- Maintaining compliance with Mexican NOM-002-STPS-2010, monthly internal reviews of fire extinguishers, quarterly internal checks of electrical installations, and semi-annual internal reviews of smoke detectors.

- Training our emergency brigades on topics such as first aid, evacuation, and firefighting.

- Facilitating our annual Health and Occupational Safety Week, which promotes good health and safety practices among Ambassadors through activities such as accident drills and risk identification.

- Offering our general health promotion program, which focuses on early illness detection and provides free services such as nutrition plans, follow-up sessions with specialists, and laboratory tests.

- Enrolling a total of **5,066 Ambassadors in our online medical platform**, giving them access to remote healthcare services, and **administering 1,486 flu vaccines** to Ambassadors and their families.

Our Environmental Impact

- 

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- 

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- 

Waste Management

Creating our
environmental commitment to protect the planet



23
aircraft with
Recaro seats

100%
of the fleet
with lightweight
trolleys

-20.7%
gCO₂/RPK
in 2024 vs 2015

GRI 2-27, 3-3, 302-1, 302-3, 302-4, 305, 305-1, 305-2, 305-3, 305-4, 305-5, 306-2, 306-3

SASB TR-AL-110a.1, TR-AL-110a.2, TR-AL-110a.3, TR-AL-000.F

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At Volaris, we acknowledge the importance of addressing our environmental impact as part of our commitment to responsible and sustainable growth.

Here, we highlight our efforts to manage our key environmental impacts, prioritizing initiatives to reduce greenhouse gas (GHG) per RPK emissions, enhance fuel efficiency, promote waste reduction, and understand our climate-related risks and opportunities. We are managing our environmental impact through collaboration with industry partners and regulators, investing and adopting innovative solutions, leveraging technology, and pursuing continuous improvement in support of the long-term sustainability of the Company.





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Volaris' environmental management strategy establishes the framework to understand, manage, and where possible, reduce the environmental impact of our operations and meet our key goals. Our actions are guided by the Comprehensive Policy for continuous improvement of the Company's operations and the optimal allocation of resources through its **Integrated Airline Management System (IAMS)** and related processes. One of these processes includes the improvement of our environmental performance by minimizing pollution, measuring and reducing GHG emissions, properly managing the waste from our activities, contributing to the protection of biodiversity, and preparing for the impacts of climate change.

In 2024, the IAMS with some of its processes and environmental programs was audited internally by the Company's specialists and externally recertified under the ISO 14001 standard by the *Sociedad Mexicana de Normalización y Certificación S.C. (NORMEX)*. The coverage of the ISO 14001 reached 56% for Volaris Y4 (Mexico) working sites¹¹³ and the 19% of our total working sites in Mexico, Costa Rica, and El Salvador.

¹¹³ The Integrated Waste Management Environmental Program's scope expansion plan includes new offices and work centers (MEX Hangar and GDL offices), as well as onboard waste management. Accordingly, the completion percentage has been updated to align with this new, more ambitious plan.



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The day-to-day management of our environmental programs is performed by a multidisciplinary group named the **Green Team**, which periodically reviews compliance with the Comprehensive Policy and is accountable for the policy implementation. This group reports to the ESG Round Table and the Sustainability Working Group, which is composed of Senior Management.

The Green Team focuses on monitoring and improving processes and environmental programs certified by ISO 14001.



This group is coordinated by the Operations Engineering department and has representatives from the Dispatch, Crisis Management, Fuel, Industrial Safety, Corporate Sustainability, Flight Operations, Flight Attendant Organization, Flight Attendant Mentors, Cargo Operations, Ground Operations, Flight Operations Engineering, Procedures and Standards Engineering, Technical Publications, Real Estate Planning, General Services, Information Security, and Crew Control departments. Its main functions are:

- 1 Propose environmental targets, goals, and initiatives that allow us to comply with the Comprehensive Policy of the IAMS.
- 2 Review the results of the Company's environmental programs and propose improvements as necessary.
- 3 Identify and evaluate significant environmental issues of the corporate offices and certified processes according to ISO 14001 standard.
- 4 Request the necessary resources to support programs that contribute to improving environmental conditions.
- 5 Evaluate the efficiency of our environmental programs.
- 6 Provide annual training to the Green Team leads to ensure proper documentation and compliance with ISO standard requirements.

Processes certified by ISO 14001:

- Flight Dispatch (DSP) and Organization of the Operational Control Center (CCO)
- Crew Planning (CSR)
- Crisis Management Department (ERP)
- Cargo Operations (CGO)
- Emissions Monitoring Process

Environmental programs in corporate offices (Ecological Offices¹¹⁴) certified by ISO 14001:

- Fuel Saving Program
- Voluntary Carbon Offsetting (#cielitolimpio product)
- Comprehensive Waste Management Program (urban solid waste, hazardous waste, and infectious biological waste)
- Electricity Consumption Program
- Prevention of Wildlife Trafficking Program (flora and fauna)

¹¹⁴ According to NORMEX.

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COMPLIANCE WITH ENVIRONMENTAL REGULATION

We seek to comply with applicable environmental regulations related to our operations.

In 2024, Volaris received no significant sanctions or fines related to non-compliance with environmental regulations¹¹⁵.

We contribute to the decarbonization of air transport by aligning our operations to key international and national environmental regulations, such as the International Civil Aviation Organization (ICAO)'s Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and Mexico's National Emissions Registry (RENE), among others.

CORSIA

Since 2021, Mexico has voluntarily participated in CORSIA, the first global market-based measure to reduce emissions from international aviation. As one of Mexico's leading airlines, Volaris is contributing to this commitment by taking proactive steps to reduce its emissions. During CORSIA's pilot phase (2021–2023), we were not required to offset emissions; however, we are currently preparing for the offsetting obligations under Phase 1 (2024–2026), with compliance required by January 31, 2028. Accordingly, we report our Scope 1 aircraft CO₂ emissions from international flights to Mexico's Federal Civil Aviation Agency (AFAC), Costa Rica's General Directorate Civil Aviation (DGAC), and El Salvador's Civil Aviation Authority (AAC), which verify the reported figures. We collaborate closely with the ICAO and other authorities, such as the AFAC and the Secretariat of the Environment and Natural Resources (SEMARNAT), to ensure we fully address our CORSIA obligations.

Other environmental regulations

In Mexico, Volaris complies annually with the following regulations established by SEMARNAT:

➤ General Law on Climate Change:

We comply by submitting annual reports to the National Emissions Registry (RENE), which covers applicable GHG emissions from electricity and fuel consumption in our national air and group operations.

➤ General Law for the Prevention and Comprehensive Management of Waste (LGPGIR):

We fulfill requirements through manifests delivered to the Registry of Emissions and Transfer of Pollutants (RETC) for the disposal, transportation, and receipt of hazardous waste.



¹¹⁵ Volaris has applied a threshold of U.S. \$14 million to determine the significance of such issues for sustainability reporting purposes.



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GHG EMISSIONS PATHWAY AND PROGRESS

We have a multi-faceted approach to reduce our GHG emissions intensity (in gCO₂/RPK), implemented through the IAMS. Our objective is to achieve a balance between the Company's operational growth and financial performance, and working on reducing our environmental impact.

Greenhouse Gas (GHG) Emissions

We monitor our Scope 1 and Scope 2 GHG emissions annually to evaluate our footprint and assess the outcomes of our reduction initiatives.

Chart 38: Total GHG Emissions by Scope¹¹⁶ (metric tons of CO₂)

	2022	2023	2024
Scope 1	3,345,231	3,580,722	3,126,561
Scope 2	283	296	313
Total	3,345,514	3,581,018	3,126,874

¹¹⁶ The Company reports 100% data coverage for its Scope 1 and Scope 2 GHG emissions.

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Scope 1 GHG Emissions

Chart 39: Scope 1 GHG Emissions from Flight Operations (metric tons of CO₂e)

	2022	2023	2024
Flight operations – jet fuel ¹¹⁷	3,297,455	3,529,222	3,074,358

Chart 40: Scope 1 GHG Emissions from Ground Operations (metric tons of CO₂e)

	2022	2023	2024
Land operations (APU ¹¹⁸) – jet fuel	47,033	50,673	51,302
Operation of ground vehicles – diesel	80	208	261
Operation of ground vehicles – gasoline	663	619	641
Total	47,776	51,500	52,203

Chart 41: Fuel Usage by Type

	2022	2023	2024 ¹¹⁹
Jet fuel (metric tons)	1,058,210	1,120,356	987,453
Gasoline (liters)	260,426	243,060	251,564
Diesel (liters)	27,718	72,314	90,989
Total (GJ)	45,301,066	47,962,017	45,802,735

¹¹⁷ CO₂ emissions derived from jet fuel consumption are calculated using the methodology established in Annex 16 of the ICAO International Civil Aviation Convention.

¹¹⁸ The Auxiliary Power Unit (APU) is a small engine in the tail of an aircraft that serves multiple purposes, including providing electrical power for aircraft systems, starting the main engines, and supplying air conditioning, when the aircraft is on the ground.

¹¹⁹ 2024 conversion factors were calculated under the framework of the Regulations of the General Law on Climate Change and the National Energy Balance issued by SENER: 1 liter of gasoline is equal to 38.15 MJ; 1 liter of diesel is equal to 35.30 MJ; and 1 liter of jet fuel is equal to 37.03 MJ.

¹²⁰ We did not consume electricity from renewable sources.

¹²¹ The ratio used to convert kWh to GJ was 1 kWh = 0.0036 GJ.

Chart 42: Fuel Consumption by Operation (gallons per 1,000 available seat miles (ASMs))

	2022	2023	2024
Jet fuel (flight operations)	9.5	9.1	9.4
Total jet fuel (ground and flight operations)	9.6	9.3	9.5
Fuel consumption for payload (kg/Payload ton-kilometers)	0.248	0.242	0.244

Scope 2 GHG Emissions

Chart 43: Electricity Consumption¹²⁰

	2022	2023	2024
Scope 2 emissions (tons CO ₂ e)	283	296	313
Electricity consumption (kWh)	651,207	676,798	705,083
Energy consumption (GJ) ¹²¹	2,344	2,437	2,538

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In 2021, as an active member of IATA, we joined its Fly Net Zero initiative, supporting the global aviation industry's efforts to achieve net-zero carbon emissions by 2050, in line with the goals of the Paris Agreement. Volaris supports this ambition and has implemented strategies that will help to meet this target, though we recognize that fully achieving net zero will require coordination and action across the entire industry's value chain. That same year, we set a target to reduce our Scope 1 aircraft CO₂ emissions intensity by 35.42% gCO₂/RPK (grams of CO₂ per revenue passenger kilometer) by 2030, using 2015 as our baseline year¹²². This target was defined by the transition to a fleet composed mostly of Airbus aircraft powered by P&W's GTF NEO engines. Setting this target enabled us to issue Mexico's first Sustainability-Linked Bond (SLB) that factors-in emissions reduction. The bond included a second-party opinion from Sustainalytics, which rated the bond's goals as very strong and ambitious. Furthermore, in 2022, we closed a sustainability-linked pre-delivery payments aircraft financing, which was awarded the Best Aircraft

Trade Finance Deal Award by the Global Trade Review (GTR).

In 2024, two significant factors adversely affected the feasibility of achieving our 2030 GHG emissions per RPK intensity target, including the intermediate targets set in the Sustainability-Linked Bond and previous disclosures. First, continued delays in the delivery of new aircraft hindered our transition to a full Airbus A320neo family fleet. On the other hand, the preventive accelerated inspections of P&W's GTF NEO engines forced us to temporarily ground a significant portion of our NEO fleet. Consequently, to ensure continuity of operations and safeguard our passengers' travel plans, we extended the leases of CEO aircraft.

Meanwhile, we continue to work closely with Airbus and P&W on both issues. In 2024, we negotiated our aircraft delivery schedule under an agreement with Airbus. This negotiation strategically staggers aircraft arrivals from now through 2031, allowing us to integrate new aircraft into our operations without overextending capacity. By 2030, we

expect over 90% of our fleet to be operating with NEO technology, and around 60% of which will be the A321 model. Looking ahead, we anticipate the ongoing inspections and maintenance of P&W's GTF NEO engines will continue to affect a significant portion of our fleet beyond 2026. We are proactively managing maintenance schedules to ensure that engine inspections and overhauls are carefully planned.



¹²² We defined 2015 as our baseline year, as it marks the beginning of our fleet transition to Airbus A320neo family aircraft. Progress toward this target is being closely monitored. If Airbus continues delaying scheduled aircraft deliveries and/or the anticipated inspections of P&W's GTF NEO engines persist and face increased challenges, Volaris would need to revisit this goal.

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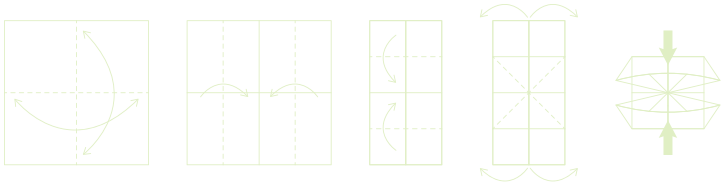
Our path to achieving our GHG emissions reduction targets depends primarily on the members of our value chain. We are committed to working with these partners and strengthening our own programs to meet our GHG emissions reduction goals. Here we provide an overview of our key GHG emissions reduction initiatives:

Fuel Saving Program		
Fleet renewal and technology upgrades	Onboard weight reduction	Fleet deployment, route optimization, and operational techniques
➤ Ongoing conversion to a fleet composed mostly of Airbus A320neo family aircraft equipped with sharklets.	➤ Ongoing reviews of cabin equipment and onboard service items, including installation of lightweight trolleys¹²³. ➤ Ongoing installation of lightweight Recaro seats¹²⁴.	➤ Continued optimization of our point-to-point network. ➤ Ongoing APU usage reduction. ➤ Ongoing training for our pilots on how to employ actions and practices to enhance the efficient operation of our aircraft. ➤ Flight optimization using real-time weather data directly uplinked to the aircraft's Flight Management System. ➤ Enhancing aircraft performance through targeted actions that minimize fleet degradation.
Target		
Transition to a fleet composed mostly of 100% Airbus A320neo family aircraft equipped with sharklets by 2030.	➤ Equip 70% of the fleet with lightweight trolleys by 2023. ➤ Install lightweight Recaro seats in 64¹²⁵ aircraft by 2028.	
2024 Status		
See Fleet Renewal and Technology Upgrades for more information.	➤ Equipped 100% of the fleet with lightweight trolleys. ➤ Installed lightweight Recaro seats in 23 aircraft: 16% of our fleet has this type of seat.	

Fleet Renewal and Technology Upgrades

As the transition to more fuel-efficient aircraft is a critical component of our ability to meet our 2030 emissions intensity target, **we maintained our goal to transition close to a 100% of our fleet to Airbus A320neo family aircraft equipped with sharklets.** These aircraft powered by P&W GTF NEO engines, **delivering up to 20% lower fuel burn per flight hour** compared to CEO¹²⁶ aircraft, based on current degradation levels of the Volaris fleet, delivering **up to 20% lower fuel burn per flight hour** compared to CEO aircraft, based on current degradation levels of the Volaris fleet, and **50% smaller sound footprint¹²⁷**, compared to the previous generation aircraft. Sharklets are aerodynamic devices that help to additionally improve the aircraft fuel economy. In addition, our Airbus A320neo family aircraft **can fly with up to 50% SAF blend.**

By the end of 2024, our fleet consisted of 143 Airbus A320neo family aircraft – an increase of 14 aircraft compared to 2023 –, 60% were powered by P&W's GTF NEO engines, and 88% were equipped with sharklets. Moreover, the continued investment in our fleet has helped to keep the average age of our aircraft among the youngest in the America's market. **In 2024, the average age of our fleet was 6.4 years¹²⁸.** A young fleet leads to better performance reliability, greater fuel efficiency, and lower maintenance costs.



¹²³ 25% lightweight trolleys, compared with previous models.
¹²⁴ 30% lightweight seats compared with other models.
¹²⁵ GRI 2-4: In the 2023 Integrated Annual Report, the goal was to install Recaro seats in 81 aircraft. Due to the aircraft delivery reschedule negotiated in 2024, the goal was changed to 64 aircraft in 2028.
¹²⁶ Current Engine Options.
¹²⁷ According to the technical specifications provided by Airbus for the A320neo family aircraft.
¹²⁸ The increase in fleet age from 5.7 years to 6.4 years is due to the CEO aircraft extensions made and the used aircraft received as part of the Aircraft on Ground (AOG) mitigation plan.

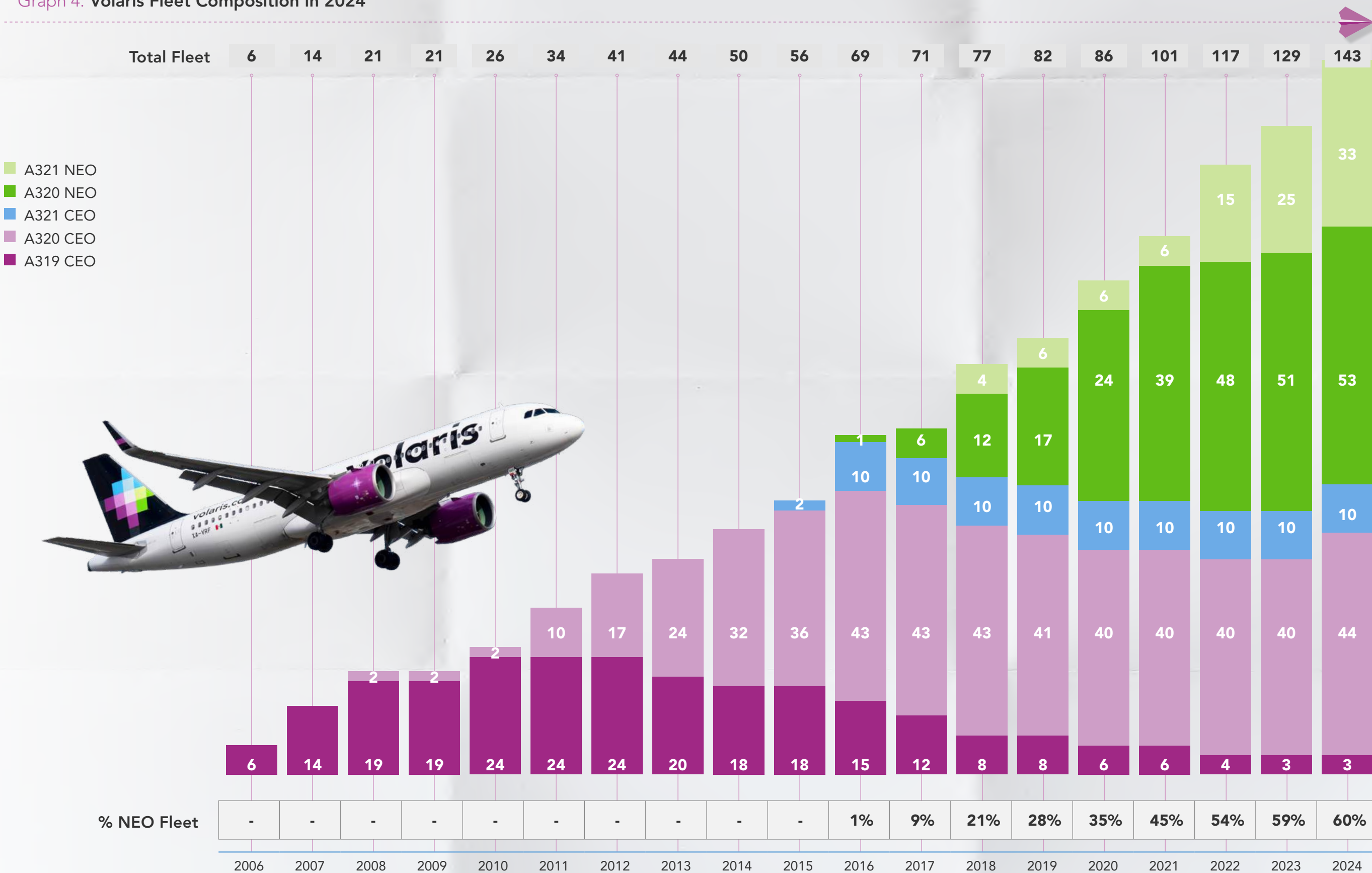
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Graph 4: Volaris Fleet Composition in 2024



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Despite challenges, **we are proud of our progress, having achieved a reduction of 17.7% Gal/ASMs and 20.7% gCO₂/RPK in 2024 vs 2015.**

Chart 44: Where We Are Headed – Fuel Savings Using P&W's GTF NEO Engines

Year	% Reduction (Gal/ASMs) since 2015 ¹²⁹	Reduction since 2015 (millions of gallons)
2019	-11.6%	-33.0
2020	-16.9%	-35.8
2021	-15.9%	-51.7
2022	-17.1%	-69.9
2023	-19.9%	-89.5
2024	-17.7%	-69.8
2030 (goal)	-30.6%	-136.9¹³⁰

Chart 45: Scope 1 Aircraft CO₂ Emissions Intensity (gCO₂/RPK onboard)¹³¹

	2015	2021	2022	2023	2024	2030 Target ¹³²
gCO ₂ /RPK Onboard	87.32	75.75	73.58	69.83	69.19	56.57
% Reduction since 2015	-	-13.25%	-15.74%	-20.03%	-20.77%	-35.42%
kgCO ₂ (flight operations + land operations APU)	1,560,780,030	2,683,594,650	3,344,488,019	3,579,895,500	3,120,353,543	-
RPK (k)	17,874,000	35,427,511	45,451,422	50,698,785	45,100,937	-

We remain fully committed to reducing our emissions intensity (in gCO₂/RPK) and, if necessary, will revisit our targets as we obtain more information from Airbus and P&W, which may affect our ability to receive and utilize more fuel efficient aircraft.

¹²⁹ In 2015, we began to replace our fleet with Airbus A320neo family aircraft. That is why 2015 is used as a baseline.

¹³⁰ GRI 2-4: The fuel savings using P&W's GTF NEO Engines by 2023 (goal) were reported a -2,336.0 reduction since 2015 (in millions of gallons) and instead should have been a -136.9 reduction since 2015 (in millions of gallons), due to an arithmetic error.

¹³¹ gCO₂ includes emissions from aircraft flights and emissions associated with taxiing and the use of auxiliary power units (APU) at the gate.

¹³² The established target is being closely monitored. If Airbus continues delaying scheduled aircraft deliveries and/or the anticipated inspections of P&W's GTF NEO engines persist and face increased challenges, Volaris would need to revisit this goal.



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Onboard Weight Reduction

Lighter aircraft consume less fuel and generate fewer GHG emissions. We continuously look for ways to reduce onboard weight through programs that also optimize the inflight experience. Our current onboard weight reduction initiatives include:

Lightweight trolleys or service carts	Drinks and snacks menu reviews	New seats installation	Fuel load optimization	Strategic aircraft design
Utilize lightweight trolleys for onboard service. In 2024, 100% of our fleet was equipped with lightweight trolleys.	Conduct biannual reviews of the onboard service drinks and snacks menu, to reduce product weight, considering compliance with regulations and sales performance.	Installation of lightweight Recaro seats in 64 aircraft, by 2028. During 2024, we installed Recaro seats in 10 more aircraft.	Implement efforts to optimize fuel load per flight, resulting in less ballast weight and fuel consumption.	Introduce seating plans in our operations, maximizing our aircraft passenger capacity per flight. In 2024, we had an average of 198 seats per aircraft , compared to 173 in 2016.



Additionally, since 2022 we have implemented an exterior paint restoration program aligned with industry-standard repainting intervals. The process involves fully removing the existing paint and primer to avoid adding unnecessary weight to the aircraft, thereby helping to preserve its original aerodynamic performance. In 2024, our aircraft supplier began using an advanced primer for Volaris aircraft that not only protects the fuselage against corrosion, but also contains lower levels of heavy metals, such as chromium, and is low in volatile organic compounds (VOC). These characteristics result in a lighter coating and reinforce our ongoing efforts to enhance fuel efficiency through weight reduction initiatives.

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Fleet Deployment, Route Optimization, and Operational Techniques

Fleet deployment. Starting in 2024, the fleet mix strategy has allowed us to select, allocate, and manage different aircraft types and sizes within the fleet to match route demands and operational requirements. In this matter, we can monitor and adjust fleet deployment dynamically in response to market fluctuations or operational disruptions, optimize costs, maximize operational efficiency, improve seat profitability, and reduce potential environmental impact.

Route optimization. Our point-to-point model allows us to bypass traditional hub-and-spoke systems, enabling direct flights without unnecessary stopovers. This approach not only enhances operational efficiency but also significantly reduces fuel consumption. We meticulously design flight plans to minimize navigational miles whenever possible, contributing to both environmental sustainability and operational cost savings.

Volaris has actively advocated of the implementation of airspace optimization processes in Mexico, working closely with national authorities to enable more precise and efficient routing.

We started executing the Performance-Based Navigation (PBN) framework within Mexican airspace. This framework relies on the Global Navigation Satellite System (GNSS), and we have secured multiple PBN operational approvals from the AFAC, emphasizing our commitment to innovation, safety and efficiency.

In a recent milestone, Volaris became the first airline to operate the latest PBN approach procedures, designated as Required Navigation Performance Approach (RNP APCH), into Mexico City International Airport. These new approach paths are 2.5 nautical miles shorter than the traditional ones, resulting in reduced flight times and lower fuel consumption.

Looking forward, we will be actively continuing our collaboration with *Servicios a la Navegación en el Espacio Aéreo Mexicano* (SENEAM) and AFAC to gain approval for and implement RNP Authorization Required (RNP AR) to improve weather adaptability while flying. This initiative will begin with Tijuana International Airport, as a first step toward broader implementation across other airports in Mexico.

Furthermore, Volaris has worked closely with SENEAM to lead Mexico's primary airspace optimization initiative: Strategic Direct Routes (SDR). Closely tied to our route optimization strategy, this program facilitates the planning of more direct routes across Mexican airspace, reducing flight times and lowering fuel consumption.

Operational techniques. Our flight planning decisions have been designed to help us operate our fleet as efficiently as possible. These include:

➤ **Pilot operational techniques:** We train our pilots to employ specific actions and practices to enhance the efficient operation of an aircraft. For example, we utilize machine learning software to brief pilots on personal performance and potential fuel savings.

➤ **APU usage reduction:** We promote the use of lower-emission ground power sources, such as Ground Power Units whenever possible to reduce APU usage while aircraft are on the ground.

➤ **Flight optimization:** We use real-time weather data directly linked to the aircraft's Flight Management System (FMS), enabling more accurate fuel predictions and optimized flight profiles.

➤ **Enhancing aircraft performance:** We target actions that minimize fleet degradation and deliver significant fuel savings. It delivers significant benefits in terms of fuel efficiency and GHG emissions reduction per flight.

➤ **Low acceleration height procedure:** We have been using this procedure, which allows aircraft to accelerate at a lower altitude during the initial climb phase by retracting flaps and slats sooner, enabling an earlier transition to improve aerodynamic configuration by reducing drag. This initiative reduces fuel consumption and GHG emissions.

Other GHG emissions reduction initiatives

ELECTRICITY CONSUMPTION

Although electricity consumption represents less than 1% of our total GHG emissions, **we remain dedicated to reducing electricity usage across our facilities.** We have taken actions such as replacing light bulbs in corporate offices with electricity-saving alternatives, turning off lights in unused work areas, providing timely maintenance for our air conditioning equipment, and remodeling our space to enhance electrical efficiency. We also have an Electricity Consumption Program certified under NORMEX ISO 14001:2015 and audited internally (in our Ecological Offices), to identify electricity-saving opportunities, efficiencies, and action plans.

In 2024, electricity consumption in corporate offices amounted to 705,083 kWh, which constituted a 4.2% increase from 2023. However, **electricity consumption per capita in our corporate office was reduced by 6%** (1.1 MWh/pc in 2023 to 1.0 MWh/pc), compared to the previous year. This can be attributed to electrical efficiency initiatives such as controlling the air conditioning airflow to prevent system overloads, managing lighting based on the needs of the work team, and constantly monitoring the facilities to identify faults in the electrical system.

VOLUNTARY CARBON OFFSETTING

Voluntary carbon offsets are an important tool to mitigate GHG emissions that cannot be eliminated via technological or operational advances. Since 2015, we have offered our customers the option to purchase our **#cielitolimpio** product. With these purchases, Volaris acquires certified carbon credits from the **Mexican Carbon Platform (MÉXICO₂)**, which are allocated to environmental projects aiming to compensate or neutralize GHG emissions.

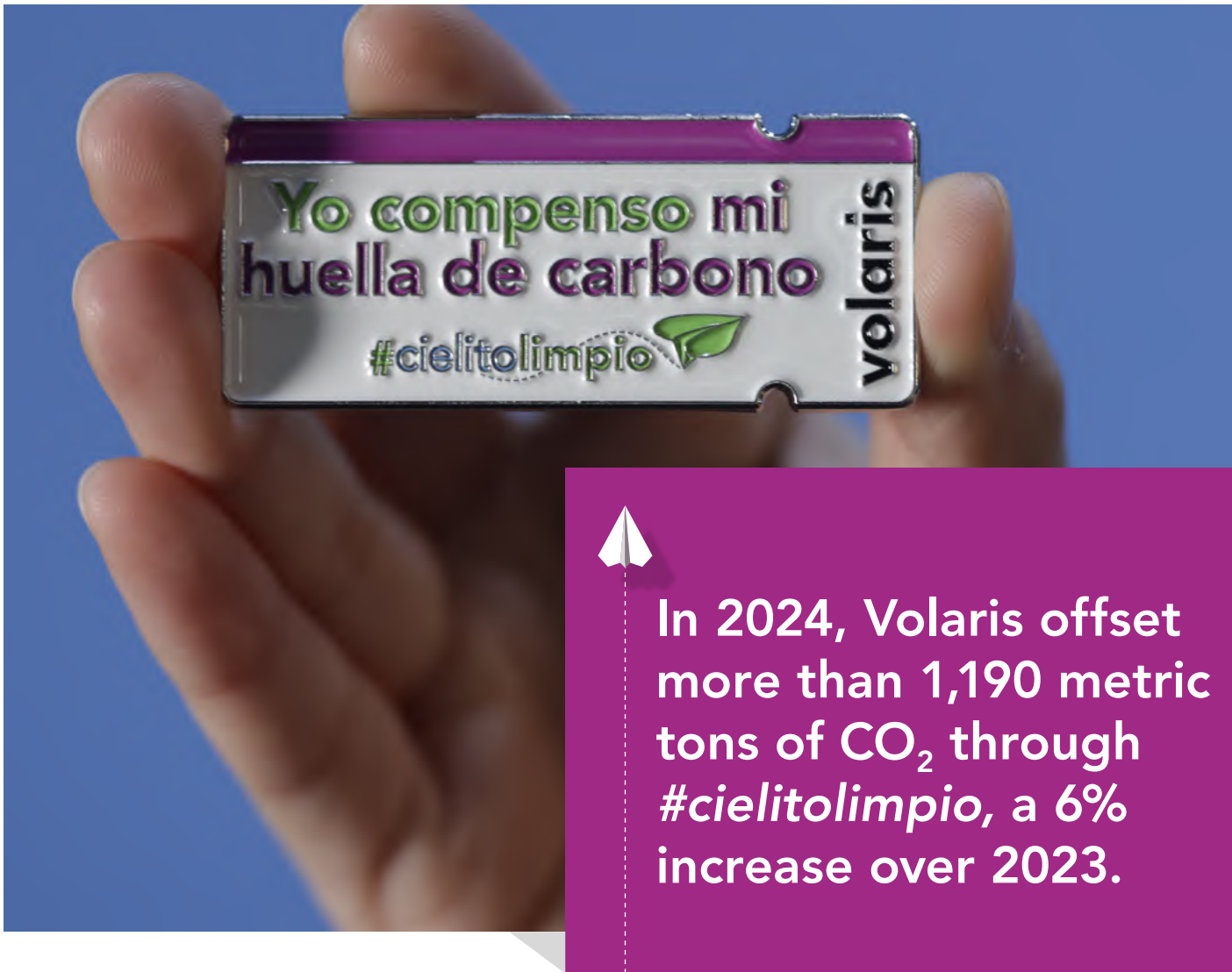


Chart 46: Carbon Offset Projects Funded Through #cielitolimpio in 2024

Project Name	Offset Seller Name	Applicable Registry	Project ID No.	Offset Project Type	Location	Protocol Used to Estimate Emissions Reductions/ Removal Benefits	Independent Verification (yes/no, verifying body)
Oaxaca IV Wind Energy Project	Allcot Mexico	VERRA / VCS	1041	Energy industries (renewable/non-renewable sources)	Tehuantepec, Oaxaca	ACM0002: Grid-connected electricity generation from renewable sources	Yes, verified by 4K Earth Science Private Limited
Panuco Bagasse Cogeneration Project	Stone X	CDM	10055	Energy industries (renewable/non-renewable sources)	Panuco, Veracruz	ACM0006: Consolidated methodology for electricity and heat generation from biomass - version 12.1.1	Yes, verified by Clean Development Mechanism



Our Environmental Impact

Environmental Management

Our Pathway: Emissions Reduction Initiatives and Targets

Waste Management

Sustainable Aviation Fuels (SAF)

At Volaris, reliable and affordable fuel is essential to uphold our ultra-low-cost business model and expand air connectivity. This is why we recognized that SAF could present a viable long-term solution enabling localized fuel production and act as a key lever to reduce carbon emission, as long as SAF is cost-efficient and sufficiently available. SAF is a lower-carbon alternative to conventional jet fuel and can be produced from various renewable sources and waste, such as oils, agricultural residues, and non-food crops.

However, in Latin America, SAF remains limited and expensive due to gaps in infrastructure, regulation, and investment. Bridging this divide is key to securing sustainable aviation growth across the region.

Therefore, we are implementing initiatives along with our partners to contribute to the development and use of cost-effective and sustainable supply of SAF for the aviation industry.

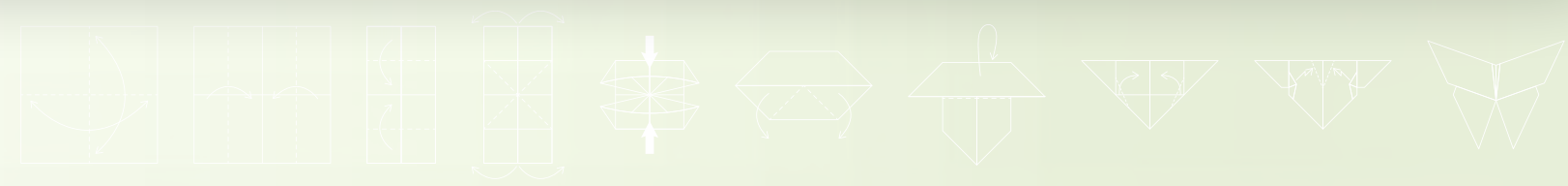
Our approach includes:

- **Investments in early-stage SAF production:** In April 2023, Volaris announced a U.S. \$50 million investment agreement, alongside several other firms, with CleanJoule, a North American startup company focused on the further development of SAF production worldwide. As part of this agreement, Volaris will receive an estimated 30 million gallons of SAF.
- **SAF research and development:** Since 2022, Volaris has partnered with Airbus and other major airlines and aviation associations to request research proposals from universities and research institutions worldwide to accelerate the development and scalability of SAF in Mexico. In a major milestone, in June 2025, Airbus and Volaris announced their intention to contribute to the ICAO’s Voluntary Environment Fund. This joint project aims to support the

development and deployment of SAF in Mexico through a feasibility study for SAF production conducted by ICAO through the Assistance, Capacity Building and Training for SAF (ACT-SAF) program. Additionally, Volaris participated in the second edition (2024-2025) of the “Sustainable Aviation Fuels Mexico” contest by Airbus to foster the development of scalable and affordable SAF production in Mexico.

- **Alignment with government entities:** Throughout 2024 and beyond, Volaris has been actively engaged with competent government authorities to promote the development and use of SAF in Mexico.
- **SAF use:** Since 2022, Volaris has been using a 5% SAF blend supplied by Airbus in some of the deliveries of Airbus A320neo family aircraft.

Accelerating SAF adoption requires more than technological innovation; it also calls for decisive government leadership. Regulatory frameworks, targeted incentives, and stronger regional collaboration are vital to closing the price gap and ensuring equitable access. Volaris advocates for a just energy transition that reflects each region’s specific context and capabilities. A truly sustainable future for aviation must be inclusive, cooperative, and accessible to all. While we are strong advocates of SAF development and use, success in an emerging market like Mexico requires addressing structural challenges, such as the absence of subsidies and incentives, limited supply assurance, and a lack of competitive finance sources. To compete on equal footing with other geographies where SAF initiatives are already advancing, it is necessary for regulatory bodies and relevant stakeholders to take action.



Our Environmental Impact

Environmental Management

Our Pathway: Emissions Reduction Initiatives and Targets

Waste Management

Waste Management

We are committed to responsible waste management through proper waste disposal and recycling. This is achieved through our hazardous and non-hazardous waste management programs. To support these efforts, Volaris conducts waste audits as part of the NORMEX ISO 14001:2015 certification process for our Ecological Offices and Cargo operations. These audits help identify opportunities to improve waste performance, reduce environmental impact, and strengthen our overall waste management strategy.



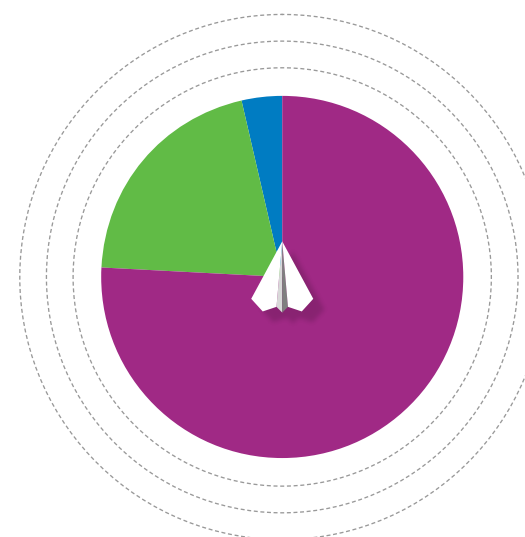
HAZARDOUS WASTE

Our hazardous waste is generated mainly from aircraft maintenance. Therefore, we continuously follow regulatory requirements and have implemented waste management practices that enable the safe handling, storage, transportation, and disposal of these hazardous waste streams in accordance with applicable environmental standards.

Chart 47: Hazardous Waste Generated

	2022	2023	2024
Total (tons) ¹³³	70.9	66.5	83.8
Fleet size (number of aircraft)	117	129	143
Hazardous waste intensity (tons/aircraft)	0.6	0.5	0.6

Graph 5: Hazardous Waste Disposal by Method in 2024



76.1%
Incineration
(Incineration + co-processing)

20.5%
Co-processing

3.4%
Confinement

¹³³ The ratio used to convert liters to kilograms was 1Lt = 1Kg.

Our Environmental Impact

Environmental Management

Our Pathway: Emissions Reduction Initiatives and Targets

Waste Management

NON-HAZARDOUS WASTE

At Volaris, we apply responsible non-hazardous waste management as part of our broader environmental strategy. We contribute to proper handling through authorized third-party providers certified by SEDEMA (Mexico City's Environmental Secretariat). These providers hold RAMIR certification¹³⁴, which validates their compliance with official standards for waste collection, separation, and diversion.

We view our non-hazardous waste reduction programs as a relevant part improving operational efficiencies, while reducing environmental and social potential impacts.

As part of our efforts, we have implemented a Paperless Policy to reduce paper consumption. In our corporate offices, we encourage staff to print only the most essential documents, thereby minimizing the use of paper, ink, and printer energy. Moreover, in our operations, we adopted QR and in-flight

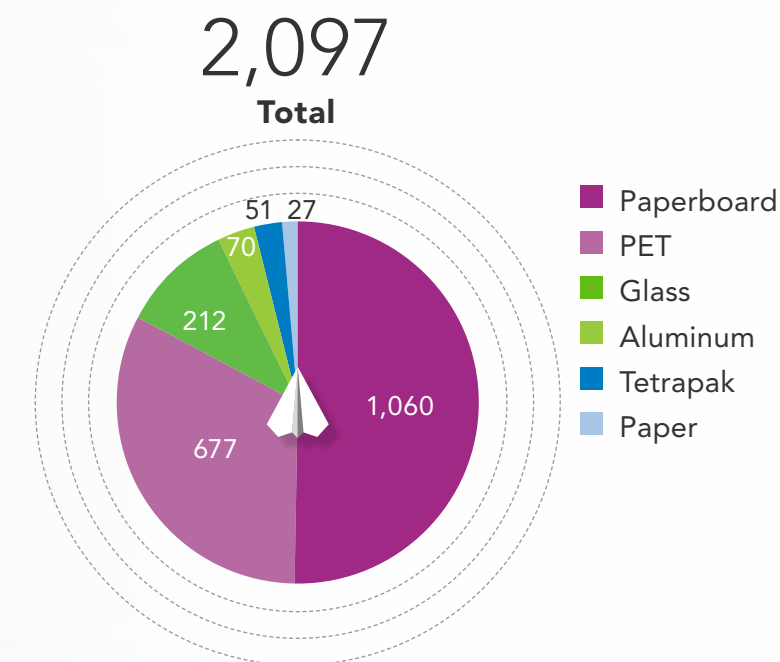
entertainment system (Volaris TV) to limit our paper use, **resulting in a 36% reduction in the number of printed onboard service drinks and snacks menus, between 2023 and 2024.** Also, we have adopted digitalization processes for our flight and airport operations manuals that helped us **reduce our paper consumption by more than 26 tons in 2024.**

During 2024, we launched our **VOlconsciente campaign** designed to promote an environmental awareness culture among our Ambassadors. Many

of the initiatives highlighted in the campaign are related to proper waste management and reduction. As part of its initial actions, the campaign focused on reducing the use of single-use plastics within our corporate offices. In just the first month, **we achieved around a 15% reduction in the amount of single-use PET disposed of.**

Additionally, we promote non-hazardous waste recycling in our corporate offices. **In 2024, we recycled more than 2 metric tons of this waste**, distributed as follows:

Graph 6: Composition of Non-Hazardous Waste Recycling Stream (kg) in 2024



¹³⁴ The RAMIR certificate is an official authorization granted by Mexico City's Environmental Secretariat (SEDEMA), that permits individuals or companies to manage solid waste.

Our Environmental Impact

Environmental Management

Our Pathway: Emissions Reduction Initiatives and Targets

Waste Management

Finally, as part of our efforts to consciously manage our onboard service waste and to **introduce responsible packaging for items sold onboard**, we track the materials used in our packaging and work to increase the proportion of recyclable content. We aim to transition to a plastic-free onboard service, by **eliminating single-use plastic** materials of certain products, such as cups, forks, napkins, soap, bags, and stirrers, which are made with biodegradable materials. **In 2024, 98% of the products we offered for onboard service sale had biodegradable and/or recyclable packages.**

Materials ¹³⁵	Coverage (% of items with packaging made of each material)	Total weight of packages' recyclable material (metric tons)
Metal (e.g. aluminum or steel) packaging	41%	23.12
Wood / Paper fiber packaging	22%	12.09
Glass packaging	7%	4.14

Our efforts also included **minimizing food waste**, particularly with perishable items. In 2024, we ensured that 100% of our unopened and safely stored fresh food items, such as sandwiches and croissants, were available on subsequent flights within three hours of arrival. Thereby reducing unnecessary waste disposal on all flights to the U.S., in line with an authorization from the competent authorities.

Looking forward, in 2025, we expect to launch a pilot program to begin separating onboard service waste from recyclable materials, which will be identified through a preliminary assessment, on selected flights. This initiative marks a key step toward improving onboard service waste management. The pilot program will be possible thanks to the strategic collaboration of Volaris with some of its value chain members, such as airport groups and ground handlers, which will enable the proper handling and separation of this waste. The goal is to scale the program to other Volaris' stations in the future.



¹³⁵ Indicates the packaging material for items sold onboard.

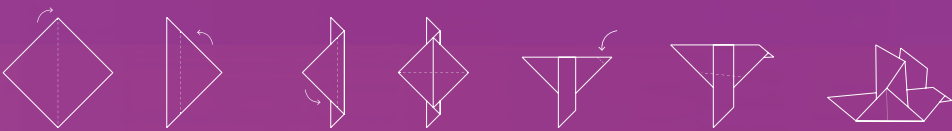
Our Community Engagement

- 

Promoting
Community Safety
and Wellbeing
- 

Social
Responsibility
Programs

Creating a
social impact
that goes beyond
the flight



**+20
thousand**
beneficiaries from
*Avión Ayuda
Volaris*

Launched
Ojos en el Cielo
campaign

15 years
recognized as a
Socially Responsible
Company by
CEMEFI

Our Community Engagement

Promoting Community Safety and Wellbeing

Social Responsibility Programs

Our Community Engagement

At Volaris, our mission extends far beyond operating flights, we are dedicated to democratizing the skies and fostering inclusive growth across the regions we serve.



When Volaris was founded, air travel throughout Latin America was still considered a luxury accessible only to a privileged few. From our very first flight, we set out to change that perception by creating a business model centered on affordability, accessibility, and efficiency. Our ultra-low-cost strategy is more than a commercial advantage; it is the driving force behind our community impact. By lowering barriers to connectivity, we enable more people to participate in economic, educational, and cultural opportunities, fueling social development within emerging markets.

Our low base fares and value-added ancillary services, designed to meet the specific needs of our customers, have allowed millions of people to experience air travel, many for the first time. This brings families closer together and improves access to medical care, job opportunities, education, and other essential activities. For small and

medium-sized businesses, Volaris serves as a vital link to national and international markets, boosting growth and competitiveness without the burden of high transportation costs. The result is a ripple effect: greater mobility leads to more opportunities, stronger local economies, and a more inclusive society.

Connectivity is more than a convenience; it is a public benefit. Nearly half of our routes compete solely with buses, reaching cities and communities previously isolated from the national air network. This is where our purpose comes to life: we do not simply add destinations; we enable progress where it was once stalled.

Volaris becomes a platform for transformation, supporting regional integration, economic development, and social mobility throughout Mexico, the United States, and Central and South America.

Our
Community
Engagement

➤
Promoting Community
Safety and Wellbeing

Social Responsibility
Programs

➤ Promoting Community Safety and Wellbeing

We provide connectivity and mobility for our communities, and we do so with an unwavering commitment to safety and ethical standards, promoting responsible business practices throughout our operations. In 2024, we transported more than 12 million passengers across Mexico and the U.S., each with compliant documentation for cross-border travel. We remain dedicated to upholding strict standards and adhere to legal frameworks, aiming to ensure that all our passengers meet the necessary requirements to fly.

We take pride in being a drug-free Company and have established operational principles that aim to:

- a** Ensure our Ambassadors and personnel maintain a drug-free environment.
- b** Prevent the transportation of illegal substances under any circumstances.
- c** Maintain a supplier screening and assessment program, designed to prevent money laundering, among other objectives.

Volaris has taken a proactive approach, implementing initiatives such as cargo restrictions and certifying our cargo customers through the “Known Shipper Program”. These actions strengthen our ability to prevent illicit activities and uphold operational integrity across our network. This not only ensures safe and reliable flights for our passengers but also creates a healthy work environment for our Ambassadors.

Beyond complying with aviation security regulations, we collaborate closely with key authorities, including the U.S. Department of Homeland Security (through Customs and Border Protection (CBP) and the Transportation Security Administration (TSA)), Mexico’s National Migration Institute (INM), and AFAC, among others, to meet the legal requirements in the countries where we operate.

Even during periods when transborder land crossings were restricted, such as during the COVID-19 pandemic, Volaris continued to fulfill its mission by connecting communities and families through air travel, always in compliance with applicable regulations and health protocols.

➤ Social Responsibility Programs

We seek to uplift the communities we serve through **our social responsibility programs** centered **on six strategic pillars**:

- 1** Humanitarian assistance for emergencies
- 2** Access to healthcare
- 3** Access to education
- 4** Employee and community development
- 5** Environmental protection
- 6** Children and adolescents trafficking prevention

➤ *Avión Ayuda Volaris*

Through *Avión Ayuda Volaris*, we provide complimentary flight tickets and cargo capacity to support social well-being, humanitarian aid, and community resilience and engagement in the areas where we operate. This program specifically supports:

- Disaster emergencies / civil protection
- Transportation of organs and tissues for transplant purposes
- Health emergencies and medical treatments
- Voluntary reuniting people with their families

➤ *#VolemosJuntos*

Through *#VolemosJuntos*, we promote volunteerism and in-kind contributions as part of our commitment to strengthening social well-being. We empower our Ambassadors to make a positive impact in their communities by actively participating in social initiatives.

The Program recognizes and celebrates their commitment to community service, while also fostering a sense of purpose, workplace engagement, personal growth, and professional development.

Our Community Engagement

Promoting Community Safety and Wellbeing

➤ Social Responsibility Programs

In 2024, through *Avión Ayuda Volaris* and *#VolemosJuntos* we worked in key initiatives under our social responsibility strategic pillars:



1 Humanitarian Assistance for Emergencies

We aim to enhance resilience in the communities where we work by aiding their capacity to endure and recover from emergencies and humanitarian crises, such as natural disasters and extreme weather events. Through strategic partnerships, we help create a more stable and sustainable environment for those impacted.

During 2024, in collaboration with key allies such as CADENA A.C., we carried out the following initiatives:

- In response to a winter emergency in the *Sierra de Durango*, Volaris Ambassadors collected essential supplies and assembled 200 food packages and blankets, which were delivered alongside volunteers transported by Volaris. This effort benefited over 1,600 people.
- We facilitated the transportation for a group of CADENA A.C.'s volunteers to the *Sierra de Chihuahua*, where they delivered aid to families affected by extreme cold, reaching additional 1,500 people in need.

2 Access to Health Care

Air transportation can play a crucial role in enabling timely access to medical care, whether it involves the transfer of specialized personnel, patients, or organs and tissues for transplant purposes. We are committed to facilitating access to healthcare, especially for those in vulnerable or remote contexts. In 2024, in collaboration with strategic partners, we supported multiple initiatives focused on improving people's health outcomes through free-of-charge transportation, including:

- Organs and tissues for transplant purposes in coordination with the National Transplant Center (CENATRA). Our longstanding partnership was recognized for the valuable contributions over the past 12 years.
- Transporting medical equipment for *Fundación AXA*, to provide comprehensive treatment to pediatric patients at the *Centro Regional de Alta Especialidad de Chiapas*.

- Transporting healthcare professionals from *Fundación MGAS*, benefiting over 60 children from municipalities across Quintana Roo.
- Organizing blood drive campaigns and the transportation of volunteers, in collaboration with the Mexican Red Cross (MRC).





Our
Community
Engagement

Promoting Community
Safety and Wellbeing

➤ Social Responsibility
Programs

3

Access to Education

We promote educational development by providing air transportation that enables students and educators to participate in academic and training programs across different regions. In 2024, we donated tickets to strategic partners such as *Fundación Azteca*. These flights allowed young musicians from the *Orquesta Sinfónica Azteca* to travel to Mexico City for a national performance and supported teachers attending a national education symposium, where they received training to deliver classes throughout *Fundación Azteca’s* network of schools nationwide.

4

Employee and Community
Engagement

We support initiatives that promote civic participation, social development, and community well-being. In 2024:

- **309 Ambassadors** took part in volunteering activities, lending over 1,043 hours to causes with purpose, including working with children and collecting and donating toys *Alfonso Reyes* School.
- We facilitated civic participation by transporting speakers to the U.S.-Mexico Forum, an event fostering binational dialogue and collaboration on key development issues.

We also transported equipment for the *Todo México Salvando Vidas* race, organized by the MRC. Through this initiative, food packages were purchased for people in need, benefiting more than 20,000 families across the country.

Chart 48: Key Indicators for Corporate Volunteering Activities through #VolemosJuntos

	2022	2023	2024
Volunteers (number of Ambassadors)	201	282	309
Employee volunteer hours (paid)	697	339	1,043
Volunteering activities	14	16	15
Value generated (thousands of U.S.) ¹³⁶	\$8,937	\$16,575	\$13,024

Chart 49: Key Indicators for Donations of Flight Tickets and Cargo Capacity Through *Avión Ayuda*

	2022	2023	2024
Number of alliances	10	12	15
Tickets donated	318	228	208
Cargo capacity donated (tons)	5.2	22.1	3.2
Value generated (thousands of U.S.) ¹³⁶	\$2,021	\$1,174	\$788

¹³⁶ Calculated using KPMG’s True Value methodology.

Our Community Engagement

Promoting Community Safety and Wellbeing

➤ Social Responsibility Programs

CHILDREN AND ADOLESCENTS TRAFFICKING PREVENTION

At Volaris, we recognize that children and adolescents are among the most vulnerable groups to crimes such as human trafficking for commercial sexual exploitation, especially in high-transit environments like borders, airports, bus terminals, and even onboard aircraft. This reality demands urgent and sustained action. For this reason, **we have adopted a zero-tolerance policy towards child and adolescent trafficking and are firmly committed to protecting their dignity, safety, and rights. We acknowledge our responsibility to contribute to the development of a safe and sustainable travel and tourism industry.**

We are proud to be a top member of The Code, a code of conduct developed by ECPAT International to protect children and adolescents from trafficking for commercial sexual exploitation. **Volaris is the first airline in Mexico and Latin America, and the second worldwide, to formally implement The Code.**

In 2024, for the 11th consecutive year, we received the Top Member Distinction from ECPAT International and The Code, in recognition of our efforts to safeguard children and adolescents in our operations and to promote these practices throughout our value chain.

In collaboration with ECPAT International and ECPAT Mexico, we work to protect children and adolescents from human trafficking through:

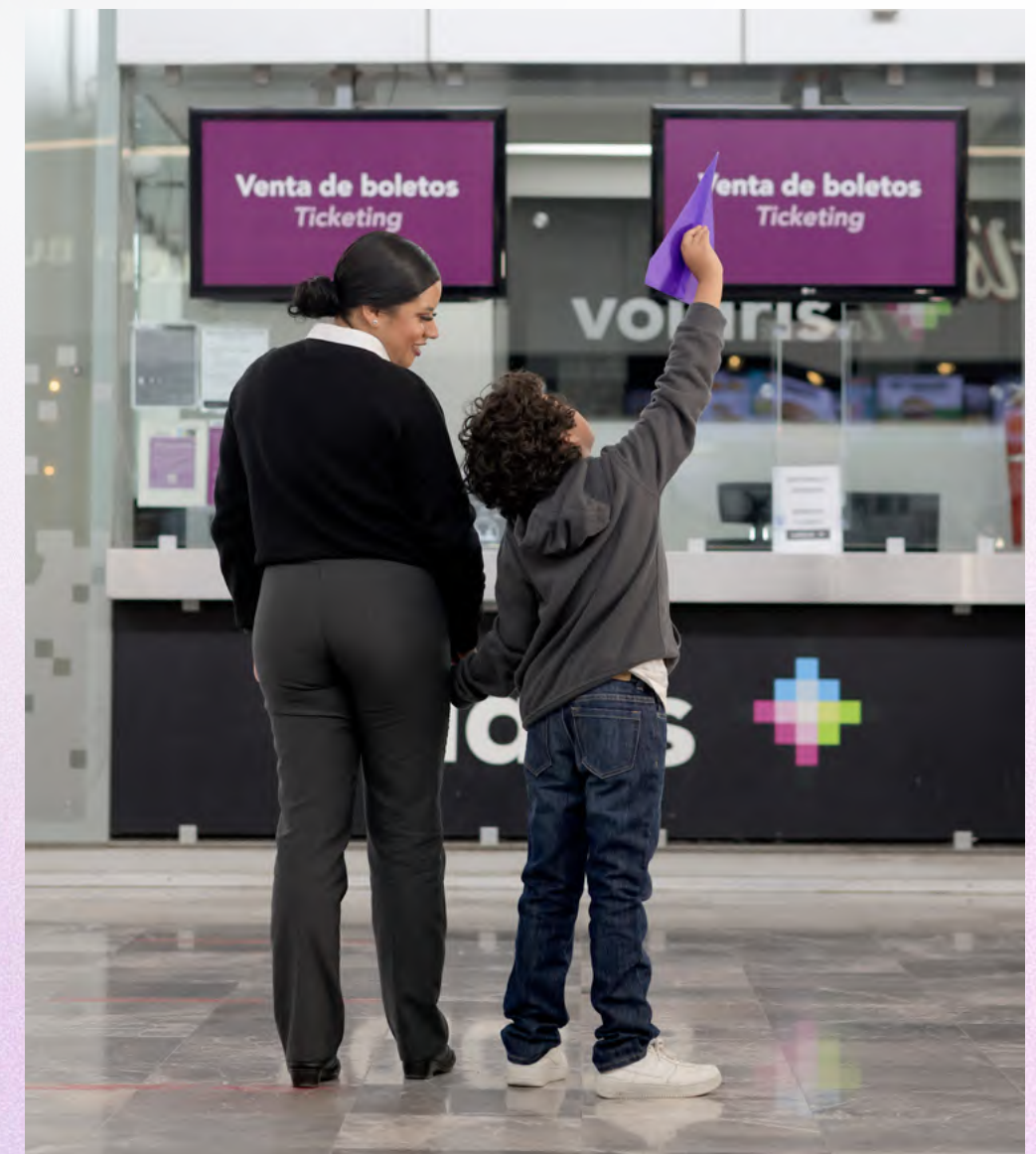
- Annual human trafficking prevention training for all our operational Ambassadors.
- Update and implementation of a protocol to detect possible cases in all stages of the flight process.
- Inclusion of a clause in some commercial contracts with suppliers (especially those related to tourism promotion activities), which establishes that the supplier must comply with the guidelines of The Code and promote responsible tourism.
- Communication strategies to educate and involve our customers and civil society in the promotion of children's human rights and in the fight against human trafficking.

Furthermore, as part of our initiative to expand our protocols across Central and South America, we have launched a new phase encouraging airports in our network to establish their own anti-trafficking protocols. Our first project is underway in Costa Rica, with plans to extend these efforts to additional countries.

In 2024, we also strengthened our partnerships with organizations including the United Nations Office on Drugs and Crime (UNODC), Grupo Presidente, Fundación Azteca, Freedom Foundation, and our travel agency, Ya Vas. **Together, we amplified awareness of child and adolescent trafficking and implemented strategies to prevent it, notably through the Ojos en el Cielo (Eyes in the Sky) communication campaign.** This initiative is designed to inform, engage, and inspire action throughout society, especially among our customers. It encourages vigilance regarding the safety of children and adolescents in airports and onboard our flights, ensuring their protection. Through clear messaging, we provide information about this crime and urge customers to "raise their hand" if they notice potential cases, inviting them to approach our trained Ambassadors for support.

Additionally, we joined the United Nations' Blue Heart Campaign, a global initiative led by UNODC to raise awareness about human trafficking and its profound effects on individuals and society.

In 2024, the campaign was honored as a finalist for the *Caracol de Plata* award by CEMEFI, which recognizes excellence in social impact communication throughout Ibero-America.





Our Economic Performance

➤
2024 Financial
Performance

➤
Retained Economic
Value & Operating
Data KPIs

Creating an agile and resilient financial model



U.S. \$3,142 million Total Operating Revenues	U.S. \$126 million Net Income	U.S. \$954 million Total Liquidity
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Our Economic Performance

2024 Financial Performance

Retained Economic Value & Operating Data KPIs



2024 Financial Performance

Note: All figures are reported in U.S. dollars and compared to 2023 unless otherwise noted.

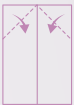
We generated some of our best top and bottom-line results, despite continuous adversity from P&W’s GTF NEO engine accelerated inspections and aircraft groundings.

As a result of the strong execution and discipline of our management team and Ambassadors, we posted a net profit each quarter and achieved a full-year EBITDAR margin of 36%.

Throughout the year, we remained focused on reshaping the Company, increasing profitability, and upholding our commitment to schedule integrity, customer preference, and operational excellence.



Net income of \$126 million. Earnings per American Depositary Shares (ADS) of \$1.1.



Total operating revenues of \$3,142 million, with ancillaries contributing over 50%.



Total revenue per available seat mile (TRASM) increased 10% to \$9.2 cents.



Available seat miles (ASMs) decreased 13% to 34.0 billion.



Total operating expenses per available seat mile (CASM) increased 3% to \$8.0 cents.



CASM ex fuel increased 12% to \$5.4 cents.



Operating income (EBIT) of \$413 million, an 85% increase.
EBIT margin was 13.2%, an increase of 6.3 percentage points.



EBITDAR of \$1,141 million, a 39% increase.
EBITDAR margin was 36.3%, an increase of 11.1 percentage points.



Total liquidity reached \$954 million, representing 30% of last twelve months’ total operating revenues.

Our Economic Performance

2024 Financial Performance

Retained Economic Value & Operating Data KPIs



Chart 50: Retained Economic Value (in millions of U.S. dollars)

	2022	2023	2024
Revenues			
Operating revenues	2,847	3,259	3,142
Expenses			
Employee salaries and benefits	283	387	411
Operating costs and expenses (excluding salaries)	2,520	2,650	2,318
Capital providers (payments for financing)	18	37	58
Payments to the government (taxes)	530	661	683
Investment in the community	0.1	0.1	0.1
Distributed economic value	3,352	3,735	3,777
Retained economic value	(504)	(476)	(636)

Chart 51: Operating Data Key Performance Indicators

	2022	2023	2024
ASMs (millions)	35,281	38,890	33,990
Load Factor (%)	86%	86%	87%
Passengers (thousands)	31,051	33,497	29,473
TRASM (U.S. \$cents)	8.1	8.4	9.2
CASM ex fuel (U.S. \$cents)	4.3	4.8	5.4

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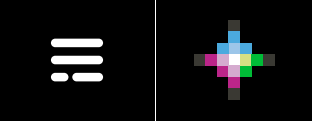


Consolidated Financial Statements

Years Ended December
31, 2024, and 2023, with
Independent Auditor’s Report

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Independent Auditors’ Report

To the Board of Directors and Stockholders
Controladora Vuela Compañía de Aviación, S.A.B. de C.V.:

Thousands of U.S. dollars

Opinion

We have audited the consolidated financial statements of Controladora Vuela Compania de Aviación, S.A.B. de C.V. and subsidiaries (“the Group”), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, the consolidated statements of operations, comprehensive income, changes in equity and cash flows for each of the years in the three-year period ended December 31, 2024, and notes comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the years in the three-year period ended December 31, 2024, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Mexico, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Aircraft components and engines lease return obligations

The key audit matter

As described in Notes [1r)], [2i)], [14i)] and [16] to the consolidated financial statements, as of December 31, 2024, the Group has a provision for its aircraft components and engines lease return obligations in the amount of \$377,377. Aircraft lease agreements require the Group to return aircraft components (airframe, APU and landing gears) and engines (overhaul and limited life parts) to the lessor under specific conditions of use.

A provision for the aircraft components and engines lease return obligation is recognized from the time it becomes more likely than not that such costs will be incurred, and these can be estimated reliably. The provision is included as part of other liabilities and the costs are recognized as a component of variable lease expenses on a straight-line basis through the remaining lease term. The Group estimates the provision for its aircraft components and engines lease return obligation using certain assumptions including the projected usage of the aircraft and the expected costs of the maintenance to be performed at the return date as well as discount rates to determine the present value of the obligations at the reporting date.

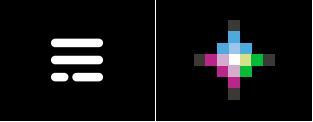
We have identified the evaluation of the estimate of the aircraft components and engines lease return obligation as a key audit matter. The assessment of the provision required significant judgment given the complexity involved in determining the key assumptions, which included the projected usage of the aircraft, the estimated maintenance cost at the end of the lease contract, and the discount rates. In addition, specialized skills and knowledge were required to assess the discount rates.

How the matter was addressed in our audit

The following are the primary procedures we performed to address this key audit matter:
We evaluated the design and tested the operating effectiveness of certain internal controls related to the aircraft components and engines lease return obligation process, including controls related to the key assumptions used in the estimate of the provision.

We compared the cost of historical aircraft returns to the amounts accrued by the Group in previous years to assess the Group’s ability to estimate the provision. For all redeliveries performed during the year, we compared the total cost of redeliveries to the accrued provision for this specific events of return. To evaluate the key assumptions used by the Group to estimate its future aircraft components and engines lease return obligations we:

- for a sample of leases subject to the accrual, we compared the assumption of projected usage included in the Group’s business plan, to the average of real usage in 2024
- for a sample of leases, we compared the estimated costs of maintenance tasks to be performed at the return date, included in the additions to the accrual of the current year, with the updated list of prices from manufacturers or historical payments for these types of maintenance
- for a sample of leases, we compared the actual cost of the aircraft components and engines lease return obligation to the accrued amounts of the year and to the cost of maintenance performed to comply with contractual redelivery conditions
- involved valuation professionals, with specialized skills and knowledge, who assisted in the evaluation of the reasonableness of the discount rates by comparing the Group’s inputs to publicly available data and assess the overall discount rates.



Other information

Management is responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended December 31, 2024, to be filed with the National Banking and Securities Commission (Mexico) (Comision Nacional Bancaria y de Valores) and the Mexican Stock Exchange (Bolsa Mexicana de Valores) but does not include the financial statements and our auditors’ report thereon. The annual report is expected to be made available to us after the date of this auditors’ report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

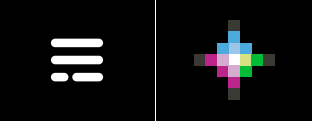
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Cárdenas Dosal, S.C.

L. C. C. Rogelio Morales Aguilar
Ciudad de México, April 9, 2025.



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

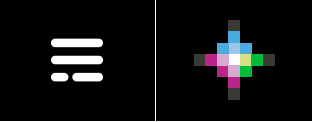
Consolidated Statements of Financial Position

(In thousands of U.S. dollars)

	As of December 31,			
	2024		2023	
Assets				
Current assets:				
Cash and cash equivalents (Note 6)	US\$	907,981	US\$	774,154
Short-term investments		45,737		15,265
Accounts receivable:				
Related parties (Note 7)		2,161		-
Other accounts receivable, net (Note 8)		76,035		89,244
Recoverable value-added tax and others		47,825		69,159
Recoverable income tax		12,789		92,196
Inventories (Note 9)		16,633		16,117
Prepaid expenses and other current assets (Note 10)		45,248		43,676
Derivative financial instruments (Notes 3, 4 and 5)		431		-
Guarantee deposits (Note 11)		227,211		147,836
Total current assets		1,382,051		1,247,647
Non-current assets:				
Rotable spare parts, furniture and equipment, net (Note 12)		1,070,070		804,610
Right-of-use assets, net (Note 14)		2,469,580		2,338,392
Intangible assets, net (Note 13)		25,957		16,219
Derivative financial instruments (Notes 3, 4 and 5)		271		1,683
Deferred income taxes (Note 20)		286,199		236,026
Guarantee deposits (Note 11)		426,193		461,996
Other long-term assets		43,389		39,399
Total non-current assets		4,321,659		3,898,325
Total assets	US\$	5,703,710	US\$	5,145,972
Liabilities and equity				
Current liabilities:				
Unearned transportation revenue (Note 21)	US\$	342,777	US\$	343,400
Suppliers		161,237		233,861

The accompanying notes are an integral part of these consolidated financial statements.

	As of December 31,			
	2024		2023	
Related parties (Note 7)		2,363		15,845
Accrued liabilities (Note 15a)		223,392		162,763
Lease liabilities (Note 14)		391,158		372,697
Other taxes and fees payable (Note 1r)		274,178		262,115
Income taxes payable		28,737		8,310
Financial debt (Note 5)		283,616		220,289
Other liabilities (Note 16)		62,800		2,303
Total current liabilities		1,770,258		1,621,583
Non-current liabilities:				
Financial debt (Note 5)		526,362		432,776
Accrued liabilities (Note 15b)		7,849		13,515
Lease liabilities (Note 14)		2,670,378		2,518,745
Other liabilities (Note 16)		333,332		286,405
Employee benefits (Note 17)		12,790		14,644
Deferred income taxes (Note 20)		17,928		15,710
Total non-current liabilities		3,568,639		3,281,795
Total liabilities		5,338,897		4,903,378
Equity (Note 19):				
Capital stock		248,278		248,278
Treasury shares		(12,787)		(11,555)
Contributions for future capital increases		-		-
Legal reserve		17,363		17,363
Additional paid-in capital		283,362		282,040
Accumulated deficit		(21,709)		(148,084)
Accumulated other comprehensive loss (Note 24)		(149,694)		(145,448)
Total equity		364,813		242,594
Total liabilities and equity	US\$	5,703,710	US\$	5,145,972



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Consolidated Statements of Operations

(In thousands of U.S. dollars except for earnings per share)

	For the years ended December 31,			
	2024		2023	2022
Operating revenues (Notes 21 and 26):				
Passenger revenues:				
Fare revenues	US\$	1,517,106	US\$ 1,650,287	US\$ 1,661,176
Other passenger revenues		1,492,593	1,473,237	1,078,251
		3,009,699	3,123,524	2,739,427
Non-passenger revenues:				
Other non-passenger revenues		111,551	115,424	92,977
Cargo		20,626	20,025	14,786
		3,141,876	3,258,973	2,847,190
Other operating income (Note 22)		(206,444)	(54,710)	(25,066)
Fuel expense (Note 3a)		893,987	1,165,078	1,299,254
Landing, take-off and navigation expenses		492,507	503,366	379,108
Salaries and benefits		411,253	386,723	283,089
Depreciation of right-of-use assets (Note 14)		409,935	362,015	320,443
Sales, marketing and distribution expenses		169,472	167,341	124,287

The accompanying notes are an integral part of these consolidated financial statements.

	For the years ended December 31,			
	2024		2023	2022
Other operating expenses (Note 22)		139,248	169,864	102,585
Aircraft and engine variable lease expenses (Note 14)		135,155	103,845	124,532
Maintenance expenses		100,426	98,445	97,783
Depreciation and amortization (Notes 12 and 13)		183,115	134,296	97,486
Operating income		413,222	222,710	43,689
Finance income (Note 23)		49,444	38,222	12,902
Finance cost (Note 23)		(293,639)	(219,343)	(192,535)
Foreign exchange gain (loss), net (Note 3b)		13,662	(34,147)	3,581
Income (loss) before income tax		182,689	7,442	(132,363)
Income tax (expense) benefit (Note 20)		(56,314)	377	52,139
Net income (loss)	US\$	126,375	US\$ 7,819	US\$ (80,224)
Earnings (loss) per share basic:	US\$	0.110	US\$ 0.007	US\$ (0.069)
Earnings (loss) per share diluted:	US\$	0.108	US\$ 0.007	US\$ (0.069)

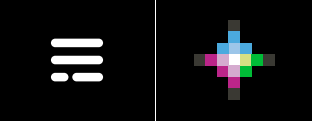
Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Consolidated Statements of Comprehensive Income

(In thousands of U.S. dollars)

	For the years ended December 31,					
	2024		2023		2022	
Net income (loss) for the year	US\$	126,375	US\$	7,819	US\$	(80,224)
Other comprehensive income (loss):						
Other comprehensive (loss) income to be reclassified to profit or (loss) in subsequent periods:						
Net (loss) gain on cash flow hedges (Note 24b)		(394)		(1,175)		336
Benefit (expense) income tax deferred (Note 20c)		118		362		(80)
Exchange differences on translation of foreign operations		(3,879)		749		3,471
Other comprehensive (loss) income not to be reclassified to profit or (loss) in subsequent periods:						
Remeasurement (loss) gain of employee benefits (Note 17)		(130)		(107)		253
Benefit (expense) income tax deferred (Note 20c)		39		32		(79)
Other comprehensive (loss) income for the year, net of tax	US\$	(4,246)	US\$	(139)	US\$	3,901
Total comprehensive income (loss) for the year	US\$	122,129	US\$	7,680	US\$	(76,323)

The accompanying notes are an integral part of these consolidated financial statements.



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Consolidated Statements of Cash Flows

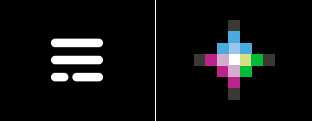
For the years ended December 31, 2024, 2023 and 2022

(In thousands of U.S. dollars)

	2024		2023		2022	
Operating activities						
Net income (loss)	US\$	126,375	US\$	7,819	US\$	(80,224)
Adjustments for:						
Depreciation and amortization (including right-of-use-assets) (Notes 12, 13 and 14)		593,050		496,311		417,929
Allowance for credit losses (Note 8)		818		1,330		1,672
Finance income (Note 23)		(49,444)		(38,222)		(12,902)
Finance cost		292,135		218,130		191,809
Net foreign exchange (gain) loss differences		(10,245)		25,471		(8,669)
Derivative financial instruments (Notes 3 and 4)		2,213		579		161
Amortized Cost (CEBUR)		608		634		566
Net gain on disposal of rotatable spare parts, furniture and equipment (Note 22)		(33,633)		(11,815)		(19,548)
Employee benefits (Note 17)		1,205		3,296		7,210
Aircraft and engine lease extension benefit and other benefits from service agreements		(761)		(761)		(517)
Income tax expense (benefit)		56,314		(377)		(52,139)
Management incentive and long-term incentive plans		5,178		5,769		709
		983,813		708,164		446,057
Changes in operating assets and liabilities:						
Related parties		(15,643)		3,390		6,570
Other accounts receivable		63,363		(7,784)		49,670
Recoverable and prepaid taxes		74,683		69,607		(33,293)
Inventories		(516)		(359)		(1,361)
Prepaid expenses		(35,991)		(24,488)		(21,489)
Other assets		(2,904)		(1,904)		(12,494)
Guarantee deposits		(48,634)		(58,243)		(13,445)
Suppliers		(70,072)		36,620		86,627
Accrued liabilities		56,661		(24,929)		17,201
Other taxes and fees payable		(29,005)		(9,453)		44,985
Unearned transportation revenue		(623)		(3,069)		42,487
Derivative financial instruments		(2,055)		-		-
Other liabilities		85,626		41,775		40,429

	2024		2023		2022	
Cash generated from operating activities		1,058,703		729,327		651,944
Interest received		49,444		38,222		12,902
Income taxes paid		(18,418)		(37,724)		(51,244)
Net cash flows provided by operating activities		1,089,729		729,825		613,602
Investing activities						
Acquisitions of rotatable spare parts, furniture and equipment (Note 12)		(583,075)		(480,753)		(347,147)
Acquisitions of intangible assets (Note 13)		(17,598)		(10,387)		(6,790)
Acquisitions of other investments		(31,840)		(17,012)		-
Pre-delivery payments reimbursements (Note 12)		159,993		45,085		221,253
Proceeds from disposals of rotatable spare parts, furniture and equipment		-		122		1,990
Proceeds from disposals of aircraft		-		901		-
Net cash flows used in investing activities		(472,520)		(462,044)		(130,694)
Financing activities						
Transaction costs related to the CEBUR offering and other financing		(1,691)		(2,547)		-
Proceeds from exercised stock options		-		11		-
Proceeds from sale of treasury shares		-		1,018		-
Derivative financial instruments		(124)		(1,493)		-
Treasury shares purchase		(5,065)		(4,021)		(5,239)
Interest paid		(58,448)		(37,179)		(17,637)
Payments of leases liabilities (Note 14)		(583,395)		(529,074)		(449,004)
Payments of financial debt		(208,087)		(97,909)		(196,565)
Proceeds from financial debt		385,240		456,808		155,357
Net cash flows used in financing activities		(471,570)		(214,386)		(513,088)
Increase (decrease) in cash and cash equivalents		145,639		53,395		(30,180)
Net foreign exchange differences on cash balance		(11,812)		8,906		911
Cash and cash equivalents at beginning of year		774,154		711,853		741,122
Cash and cash equivalents at end of year	US\$	907,981	US\$	774,154	US\$	711,853

The accompanying notes are an integral part of these consolidated financial statements.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

1. Description of the business and summary of material accounting policy information

Controladora Vuela Compañía de Aviación, S.A.B. de C.V. (“Controladora”) was incorporated in Mexico in accordance with the laws of Mexico on October 27, 2005. These consolidated financial statements comprise the Controladora and its subsidiaries (together referred to as the “Company”).

Controladora is domiciled in Mexico City at Av. Antonio Dovali Jaime No. 70, 13th Floor, Tower B, Colonia Zedec Santa Fe, Mexico City, Mexico, 01210.

The Company, through its subsidiary Concesionaria Vuela Compañía de Aviación, S.A.P.I. de C.V. (“Concesionaria”), has a concession to provide air transportation services for passengers, cargo and mail throughout Mexico and abroad.

Concesionaria’s concession was granted by the Mexican federal government through the Mexican Infrastructure, Communications and Transportation Ministry (*Secretaría de Infraestructura, Comunicaciones y Transportes*) on May 9, 2005 initially for a period of five years and was extended on February 17, 2010 for an additional period of 10 years. On February 24, 2020, Concesionaria’s concession was extended for a 20-year term starting on May 9, 2020.

Concesionaria made its first commercial flight as a low-cost airline on March 13, 2006. Concesionaria operates under the trade name of “Volaris.” On June 11, 2013, Controladora Vuela Compañía de Aviación, S.A.P.I. de C.V. changed its corporate name to Controladora Vuela Compañía de Aviación, S.A.B. de C.V.

On September 23, 2013, the Company completed its dual listing Initial Public Offering on the New York Stock Exchange (“NYSE”) and on the Mexican Stock Exchange (Bolsa Mexicana de Valores, or “BMV”), and on September 18, 2013 its shares started trading under the ticker symbol “VLRS” and “VOLAR,” respectively.

On November 16, 2015, certain shareholders of the Company completed a secondary *follow-on* equity offering on the NYSE.

On December 11, 2020, the Company announced the closing of an upsized primary follow-on equity offering in which the Company offered 134,000,000 of its Ordinary Participation Certificates (*Certificados de Participación Ordinarios*), or CPOs, in the form of American Depositary Shares, or ADSs, at a price to the public of US\$11.25 per ADS in the United States and other countries outside of Mexico, pursuant to the Company’s shelf registration statement filed with the Securities and Exchange Commission (the “SEC”). In connection with the offering, the underwriters exercised their option to purchase up to 20,100,000 additional CPOs in the form of ADSs. Each ADS represents 10 CPOs and each CPO represents a financial interest in one Series A share of common stock of the Company.

On November 10, 2016, the Company, through its subsidiary Vuela Aviación, S.A. (“Volaris Costa Rica”), obtained from the Costa Rica Civil Aviation Authority an Air Operator Certificate to provide air transportation services for passengers, cargo and mail in scheduled and non-scheduled flights for an initial period of five years. On December 20, 2021, Volaris Costa Rica’s Air Operator Certificate was renewed, modified and extended for an additional 15-year term. Volaris Costa Rica started operations on December 1, 2016.

On August 25, 2021, the Company, through its subsidiary Vuela El Salvador, S.A. de C.V. (“Volaris El Salvador”), obtained from the Salvadoran Civil Aviation Authority an Operation Permit for scheduled and non-scheduled international public air transportation services for passengers, cargo and mail, valid until May 30, 2024. On May 28, 2024, Volaris El Salvador’s Operation Permit was renewed, modified and extended for an additional five-year term. Volaris El Salvador started operations on September 15, 2021.

On October 13, 2021, Concesionaria completed the issuance of fifteen million (15,000,000) asset backed trust notes (*Certificados Bursátiles Fiduciarios*) (the “Trust Notes”) issued under the ticker VOLARCB 21L for an amount of Ps.1.5 billion Mexican pesos (US\$72.1 million, based on an exchange rate of Ps.20.80 to US\$1 on October 13, 2021), issued by CIBanco, S.A., Institución de Banca Múltiple, acting as Trustee of the Irrevocable Trust number CIB/3249 created by Concesionaria, in the second offering under the program authorized by the Mexican National Banking and Securities Commission for an amount of up to Ps.3.0 billion (three billion pesos 00/100 national currency) (US\$144.2 million, based on an exchange rate of Ps.20.80 to US\$1 on October 13, 2021). The Trust Notes comply with the Sustainability Linked Bond Principles 2020 administered by the International Capital Market Association (ICMA) and has Sustainability Objectives (SPT) for the Key Performance Indicator (KPI) to reduce carbon dioxide emissions from Volaris’s operations, measured as grams of CO2 emissions per revenue passenger/kilometer (gCO2 / RPK) by 21.54%, 24.08% and 25.53% by 2022, 2023 and 2024, respectively, compared to 2015. Said offering incentivizes the Company to accomplish its long-term sustainable goals, among which are to reduce CO2 emissions by 35.42% gCO2 / RPK by 2030 vs 2015. The Trust Notes have a maturity of five years and will pay an interest rate of Tasa de Interes Interbancaria de Equilibrio (“TIIE”) 28 plus 200 basis points.

On September 28, 2023, “Concesionaria” completed the offering of 15,000,000 (fifteen million) asset backed trust notes (*Certificados Bursátiles Fiduciarios*) (the “Trust Notes”) in Mexico under the ticker VOLARCB 23 for an amount of Ps.1.5 billion Mexican pesos (US\$85.8 million, based on an exchange rate of Ps.17.47 to US\$1 on September 28, 2023) by CIBanco, S.A., Institución de Banca Múltiple, acting as Trustee of the Irrevocable Trust number CIB/3249 created by Concesionaria Vuela Compañía de Aviación, S.A.P.I. de C.V., in the third offering under the program authorized and enlarged by the Mexican National Banking and Securities Commission for an amount of up to Ps.5.0 billion Mexican pesos (US\$286.2 million, based on an exchange rate of Ps.17.47 to US\$1 on September 28, 2023). The Trust Notes will be backed by future collection rights under agreements entered into with credit card processors regarding flows derived from the sale of airline tickets and other related services through VISA and Mastercard credit cards, through their internet portal, travel agencies, call centers and sales offices. The Trust Notes have a maturity term of five years and will pay an interest rate of Tasa de Interes Interbancaria de Equilibrio (“TIIE”) 28 plus 215 basis points spread. The underwriters were Casa de Bolsa BBVA México, S.A. de C.V., Grupo Financiero BBVA México and Actinver Casa de Bolsa, S.A. de C.V., Grupo Financiero Actinver.

On November 22, 2023, all holders of the 57,513,873 outstanding Series B shares of the Company concluded the conversion of all Series B Shares into 57,513,873 Series A Shares represented by Ordinary Participation Certificates (*Certificados de Participación Ordinarios*) in the form of the corresponding American Depositary Shares.

The accompanying consolidated financial statements and notes were approved for issuance by the Company’s Chief Executive Officer, Enrique J. Beltranena Mejicano, and the Chief Financial Officer, Jaime E. Pous Fernández, on April 10, 2025 and subsequent events were considered through that date. These consolidated financial statements will be submitted for authorization to the Board of Directors of the Company on April 23, 2025 and further for authorization to the Annual General Ordinary Shareholders’ Meeting on April 28, 2025.

Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

a) Basis of preparation

Statement of compliance

These consolidated financial statements, which comprise the financial statements of the Company as of December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022, were prepared in accordance with IFRS Accounting Standards ("IFRS" International Financial Reporting Standards) as issued by the *International Accounting Standards Board* ("IASB").

The presentation currency of the Company's consolidated financial statements is the U.S. dollar. All values in the consolidated financial statements are rounded to the nearest thousand (US\$000), except when otherwise indicated.

The Company has consistently applied its accounting policies to all periods presented in these consolidated financial statements and provide comparative information in respect of the previous period.

Basis of measurement and presentation

The accompanying consolidated financial statements have been prepared under the historical-cost convention, except for derivative financial instruments that are measured at fair value.

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the accompanying consolidated financial statements and notes. Actual results could differ from those estimates.

Presentation currency and definition of terms

The consolidated financial statements and the accompanying notes are presented in U.S. dollars, except when specific reference is made to a different currency. When reference is made to U.S. dollars or "\$," it means dollars of the United States. All amounts in the consolidated financial statements and the accompanying notes are stated in thousands, except when references are made to earnings or loss per share and/or prices per share. When reference is made to "Ps" or "pesos," it means Mexican pesos. When it is deemed relevant, certain amounts in foreign currency presented in the notes to the consolidated financial statements include between parentheses a convenience translation into dollars and/or into pesos, as applicable.

b) Basis of consolidation

The accompanying consolidated financial statements comprise the financial statements of the Company and its subsidiaries. As of December 31, 2024, and 2023, for accounting purposes, the companies included in the consolidated financial statements are as follows:

			% Equity interest	
Name	Principal Activities	Country	2024	2023
Concesionaria Vuela Compañía de Aviación S.A.P.I. de C.V.	Air transportation services for passengers, cargo and mail throughout Mexico and abroad	Mexico	100%	100%
Vuela Aviación, S.A.	Air transportation services for passengers, cargo and mail in Costa Rica and abroad	Costa Rica	100%	100%
Vuela, S.A. ("Vuela") ⁽¹⁾	Air transportation services for passengers, cargo and mail in Guatemala and abroad	Guatemala	100%	100%
Vuela El Salvador, S.A. de C.V.	Air transportation services for passengers, cargo and mail in El Salvador and abroad	El Salvador	100%	100%
Comercializadora Volaris, S.A. de C.V. ("Comercializadora")	Merchandising of services	Mexico	100%	100%
Servicios Earhart, S.A. ⁽¹⁾	Rendering specialized services to its affiliates	Guatemala	100%	100%
Servicios Corporativos Volaris, S.A. de C.V. ("Servicios Corporativos")	Rendering specialized services to its affiliates	Mexico	100%	100%
Comercializadora V Frecuenta, S.A. de C.V. ("Loyalty Program") ⁽¹⁾	Loyalty Program	Mexico	100%	100%
Viajes Vuela, S.A. de C.V. ("Viajes Vuela")	Travel agency	Mexico	100%	100%
Guatemala Dispatch Service, S.A., ("GDS, S.A.")	Aeronautical Technical Services	Guatemala	100%	100%
Fideicomiso Irrevocable de Administración número F/745291 "Administrative Trust"	Share administration trust (Note 18)	Mexico	100%	100%
Fideicomiso de Administración número CIB/3081 "Administrative Trust"	Share administration trust (Note 18)	Mexico	100%	100%
Fideicomiso Irrevocable de Administración número CIB/3249 "Administrative Trust"	Asset-backed securities trustor & administrator (Note 5)	Mexico	100%	100%
CIBanco, S.A., Institución de Banca Múltiple, Fideicomiso CIB/3853 ⁽²⁾	Pre-delivery payments financing (Note 5)	Mexico	100%	100%
CIBanco, S.A., Institución de Banca Múltiple, Fideicomiso CIB/3855 ⁽³⁾	Pre-delivery payments financing (Note 5)	Mexico	100%	100%
CIBanco, S.A., Institución de Banca Múltiple, Fideicomiso CIB/3866 ⁽³⁾	Pre-delivery payments financing (Note 5)	Mexico	100%	100%
CIBanco, S.A., Institución de Banca Múltiple, Fideicomiso CIB/3867 ⁽⁴⁾	Pre-delivery payments financing (Note 5)	Mexico	100%	100%
CIBanco, S. A, Institución de Banca Múltiple, Fideicomiso CIB/3921 ⁽⁵⁾	Pre-delivery payments financing (Note 5)	Mexico	100%	100%
Bank of Utah, Fideicomiso N503VL ⁽⁶⁾	Aircraft administration trust	Mexico	100%	-
Bank of Utah, Fideicomiso N504VL ⁽⁷⁾	Aircraft administration trust	Mexico	100%	-

(1) The Company has not started operations.
(2) With effect from June 8, 2022, the Trust was constituted.
(3) With effect from April 1, 2022, the Trusts were constituted.
(4) With effect from April 13, 2022, the Trust was constituted.
(5) With effect from July 21, 2022, the Trust was constituted.
(6) With effect from March 15, 2024, the Trust was constituted.
(7) With effect from April 16, 2024, the Trust was constituted.

Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Consolidation by control

Name	Principal Activities	Country
North Star Financing Limited ^{(1) (2)} (SPV)	Private company limited by shares	Ireland

(1) With effect from December 19, 2024, the private company limited by shares was constituted.
(2) As of December 31, 2024, the Company does not hold an ownership interest in North Star Financing Limited. However, management has determined that the Company exercises control over the entity in accordance with IFRS 10 Consolidated Financial Statements.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies.

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

- (i) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- (ii) Exposure, or rights, to variable returns from its involvement with the investee.
- (iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee.
- (ii) Rights arising from other contractual arrangements.
- (iii) The Company’s voting rights and potential voting rights.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

All intercompany balances, transactions, unrealized gains and losses resulting from intercompany transactions are eliminated completely on consolidation in the consolidated financial statements.

On consolidation, the assets and liabilities of foreign operations are translated into U.S. dollar at the exchange rates prevailing at the reporting date and their statements of profit or loss are translated at the average exchange rates prevailing at the time.

The exchange differences arising on translation for consolidation are recognized in other comprehensive income (“OCI”). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

c) Revenue recognition

Passenger revenues

Revenues from the air transportation of passengers are recognized at the earlier of when the service is provided or when the non-refundable ticket expires on the date of the scheduled travel.

Ticket sales for future flights are initially recognized as contract liabilities under the caption “unearned transportation revenue” and once the transportation service is provided by the Company or when the non refundable ticket expires at the date of the scheduled travel, the earned revenue is recognized as passenger ticket revenue and the unearned transportation revenue is reduced by the same amount. All the Company’s tickets are non-refundable; however, certain tickets may be changed upon a payment of a fee. Additionally, the Company does not operate its own frequent flier program.

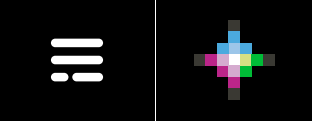
The most significant passenger revenue includes revenues generated from: (i) fare revenue and (ii) other passenger revenues. Other passenger services include, but are not limited to, fees charged for excess baggage, bookings through the call center or third-party agencies, advanced seat selection, itinerary changes and charters. They are recognized as revenue when the obligation of passenger transportation service is provided by the Company or when the non-refundable ticket expires at the date of the scheduled travel.

The Company also classifies as other passenger revenue “V Club” and other similar services, which are recognized as revenue over time when the service is provided.

The Company sells certain connecting flight tickets with one or more segments operated by other airline partners. For segments operated by other airline partners, the Company has determined that it is acting as an agent on behalf of the other airline as it is responsible for its portion of the contract (i.e., transportation of the passenger). When the Company acts as the agent, the Company recognizes revenue within other passenger revenues at time of travel, for the net amount retained by the Company for any segments flown by another airline.

Non-passenger revenues

The most significant non-passenger revenues include: (i) revenues from other non-passenger services described below and (ii) cargo services.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Revenues from other non-passenger services mainly include, but are not limited to, commissions charged to third parties for the sale of trip insurance and other services. These, as well as cargo services, are recognized as revenue at the time the service is provided.

The Company also evaluates, in each new transaction where applicable, the principal versus agent considerations concerning certain non-air travel service arrangements with third-party providers. When the Company determines that the underlying services are provided through third parties who are primarily responsible for providing the services, revenue for these specific non-air travel services is presented on a net basis (agent).

Code-share agreement

On January 16, 2018, the Company and Frontier entered into a code-share operations agreement, which started operations in September 2018.

Through this alliance, the Company’s customers gain access to additional cities in the U.S. beyond the current available destinations as the Company’s customers are able to buy a ticket throughout any of Frontier’s actual destinations, and Frontier customers gain first-time access to new destinations in Mexico through Volaris’s presence in Mexican airports.

Code-share tickets can be purchased directly from the Volaris website. The airline that provides the transportation recognizes the revenue when the service is provided to the customer.

Other considerations analyzed as part of revenue from contracts with customers

All services provided by the Company including sales of tickets for future flights, other passenger-related services and non-passenger services must be paid through a full cash settlement. The payment of the transaction price is equal to the cash settlement from the client at the sales time (using different payment options like credit or debit cards, paying through a third party or directly at the counter in cash). There is little or no judgment to determine the point in time of the revenue recognition, and the amount of it. Even if mainly all the sales of services are initially recognized as contract liabilities, there is no financing component in these transactions.

The cost to obtain a contract is represented by the commissions paid to the travel agencies and the bank commissions charged by the financial institutions for processing electronic transactions (Note 10). The Company does not incur any additional costs to obtain and fulfill a contract that is eligible for capitalization.

Trade receivables are mainly with financial institutions due to transactions with credit and debit cards, and therefore, they are non-interest bearing and are mainly on terms of 24 to 48 hours. The Company has the right of collection at the beginning of the contracts, and there are no discounts, payment incentives, bonuses or other variable considerations after the purchase that could modify the amount of the transaction price.

The Company’s tickets are non-refundable. However, in the event that the company cancels a flight due to causes attributable to the airline, the passengers are entitled to either move their flight at no additional cost, receive a refund or obtain a voucher. No revenue is recognized until either the voucher is redeemed, and the associated flight occurs, or the voucher expires. When vouchers issued exceed the amount of the original amount paid by the passenger, the excess is recorded as reduction of the operating revenues. All the Company’s revenues related to future services are rendered through an approximate period of 12 months.

Contract with FEMSA

On January 23, 2023, the Company, through its subsidiary Concesionaria, entered into an agreement with Lealtad Mercadotecnia y Conocimientos Agregados, S.A.P.I. de C.V. (the “Supplier”), a subsidiary of Fomento Económico Mexicano, S.A.B. de C.V. (FEMSA). Under this contract, Concesionaria became a participating company in a coalition that integrates a Loyalty Program called “Spin Premia®,” established and managed by the Supplier. This Program offers exclusive benefits to its users, allowing them to accumulate and redeem reward points with OXXO and Volaris.

Under the “Spin Premia” agreement, customers participating in this program are entitled to accumulate or redeem points when they purchase goods or use services with any of the companies that are part of the coalition.

The points accumulated for services provided by the Company are recorded as a reduction in revenues. The points redeemed for the Company’s services are recorded as deferred revenue until the time when the service is provided, or the points expire. The value of points is determined according to contractual conditions between the Company and FEMSA.

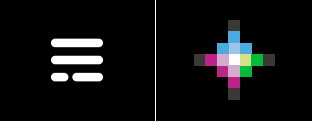
d) Cash and cash equivalents

Cash and cash equivalents are represented by bank deposits, short-term deposits on demand and highly liquid investments with maturities close to three months from the original purchase date, established in the agreements. For the purposes of the consolidated statements of cash flows, cash and cash equivalents consist of cash and short-term investments.

Management performs an assessment of the cash transactions carried out by the Company, for available cash and investment activities. These transactions are classified based on the results of this assessment.

The Company has agreements with financial institutions’ counterparties that process customer credit card transactions for the sale of air travel and other services. These credit card processing agreements do not have significant cash reserve requirements.

The Company establishes cash reserves as required by a debt agreement; however, these reserves remain available for withdraw.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

e) Short-term investments

Short-term investments consist of fixed-term bank deposits with maturity from the original purchase date, established in the negotiation and the days stipulated in the agreements.

f) Financial instruments initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

i) Financial assets

Initial recognition

Classification of financial assets and initial recognition

The Company determines the classification and measurement of financial assets, in accordance with the categories in IFRS 9 “Financial Instruments,” which are based on both: the characteristics of the contractual cash flows of these assets and the business model objective for holding them.

Financial assets include those carried at fair value through profit and losses (“FVTPL”), whose objective to hold them is for trading purposes (short-term investments), or at amortized cost, for accounts receivables held to collect the contractual cash flows, which are characterized by solely payments of principal and interest (“SPPI”). Derivative financial instruments are also considered financial assets when these represent contractual rights to receive cash or another financial asset. All of the Company’s financial assets are initially recognized at fair value, including derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their initial classification, as is described below:

- 1. Financial assets at FVTPL which include financial assets held for trading.
- 2. Financial assets at amortized cost, whose characteristics meet the SPPI criteria and were originated to be held to collect principal and interest in accordance with the Company’s business model.
- 3. Financial assets at fair value through other comprehensive income (“OCI”) with recycling of cumulative gains and losses.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- a) The rights to receive cash flows from the asset have expired.
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset, or when the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the asset is recognized to the extent of the Company’s continuing involvement in the asset.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

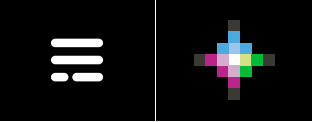
ii) Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is credit-impaired. A financial asset is credit-impaired when one or more events have occurred since the initial recognition of an asset (an incurred “loss event”) that have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence that a financial asset is credit-impaired may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in receivable, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated cash flows, such as changes in arrears or economic conditions that correlate with defaults. Further disclosures related to impairment of financial assets are also provided in (Note 8).

For trade receivables, the Company applies a simplified approach in calculating Expected Credit Losses (ECLs). Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Based on this evaluation, allowances are taken into account for the expected losses of these receivables (Note 8).



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

iii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, including loans and borrowings, accounts payables to suppliers, unearned transportation revenue, other accounts payable and financial instruments.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at amortized cost

Accounts payable are subsequently measured at amortized cost and do not bear interest or result in gains and losses due to their short-term nature.

Loans and borrowings are the category most relevant to the Company. After initial recognition at fair value (consideration received), interest bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate method (EIR). Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on issuance and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statements of operations. This amortized cost category generally applies to interest-bearing loans and borrowings (Note 5).

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities under the fair value option, which are classified as held for trading, if they are acquired for the purpose of selling them in the near future. This category includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by IFRS 9 “Financial Instruments.”

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the consolidated statements of operations.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is:

- (i) A currently enforceable legal right to offset the recognized amounts; and
- (ii) An intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

g) Other accounts receivable

Other accounts receivable are due primarily from major credit card processors associated with the sales of tickets and are stated at cost less allowances made for credit losses, which approximates fair value given their short-term nature.

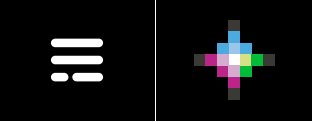
h) Inventories

Inventories consist primarily of flight equipment expendable parts, materials and supplies, and are initially recorded at acquisition cost. Inventories are carried at the lower of cost or at their net realization value, whichever is less. The cost is determined based on the method of specific identification and expensed when used in operations. The Company recognizes the necessary estimates for decreases in the value of its inventories due to impairment, obsolescence, slow movement and causes that indicate that the use or realization of the aircraft spare parts and flight equipment accessories that are part of the inventory will be less than recorded value. The cost of inventories is determined based on the specific identification method and is recorded as an expense as it is used in operations.

i) Intangible assets

Cost related to the purchase or development of computer software that is separable from an item of related hardware is capitalized separately measured at cost and amortized over the period in which it will generate benefits on a straight-line basis. The Company annually reviews the estimated useful lives and residual values of intangible assets and any changes are accounted for prospectively.

The Company records impairment charges on intangible assets used in operations when events and circumstances indicate that the assets or related cash generating unit may be impaired and the carrying amount of a long-lived asset or cash generating unit exceeds its recoverable amount, which is the higher of (i) its fair value less cost to sell and (ii) its value in use.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

The value in use calculation is based on a discounted cash flow model, using our projections of operating results for the near future, typically extending no more than five years. The recoverable amount of long lived assets is sensitive to the uncertainties inherent in the preparation of projections and the discount rate used in the calculation. For the years ended December 31, 2024, 2023 and 2022, the Company did not record any impairment loss in the value of its intangible assets.

Software

Acquired computer software licenses are capitalized on the basis of cost incurred to acquire, implement and bring the software into use. Costs associated with maintaining computer software programs are expensed as incurred. In case of development or improvement to systems that will generate probable future economic benefits, the Company capitalizes software development costs, including directly attributable expenditures on materials, labor and other direct costs.

Acquired software cost is amortized on a straight-line basis over its useful life. Licenses and software rights acquired by the Company have finite useful lives and are amortized on a straight-line basis over the term of the contract. Amortization expense is recognized in the consolidated statements of operations.

j) Guarantee deposits

Guarantee deposits primarily include aircraft maintenance deposits paid to lessors, deposits for rent of flight equipment and other guarantee deposits. Aircraft and engine deposits are held by lessors in U.S. dollars and are presented as current assets and non-current assets, based on the recovery dates of each deposit established in the related agreements (Note 11).

Deposits for flight equipment maintenance paid to lessors

Certain lease agreements of the Company require the obligation to pay maintenance deposits to aircraft lessors, in order to guarantee major maintenance work.

These lease agreements establish that maintenance deposits are reimbursable to the Company at the time the major maintenance event is concluded for an amount equal to: (i) the maintenance deposit held by the lessor associated with the specific maintenance event or (ii) the qualifying costs related to the specific maintenance event.

Substantially all major maintenance deposits are generally calculated based on the use of leased aircraft and engines (flight hours or operating cycles).

Maintenance deposits that the Company expects to recover from lessors are presented as security deposits in the consolidated statement of financial position.

According to the term of the lease, in each contract it is evaluated whether major maintenance of the leased aircraft and engines is expected to be carried out. In the event that major maintenance is not expected to be performed on its own account, the deposit is recorded as a variable lease payment, since it represents part of the use of the leased goods and is determined based on time or flight cycles. For the years ended December 31, 2024, 2023 and 2022, the Company recognized supplemental lease payments of US\$114,316, US\$83,528 and US\$48,172, respectively.

When modifications are made to the lease agreements that entail an extension of the lease term, the maintenance deposits, which had been recorded previously as variable lease payments, can be converted into recoverable deposits and presented as recoverable assets, at the modification date.

During the years ended December 31, 2024 and 2023, the Company added 14 and 13 aircraft to its fleet, respectively (Note 14). During the year ended December 31, 2024, the Company extended the lease period of 10 aircraft and two engines. During the year ended December 31, 2023, the Company extended the lease period of nine aircraft and six engines. Certain other aircraft lease agreements do not require the obligation to pay maintenance deposits in advance to lessors to guarantee important maintenance activities; therefore, the Company does not record or make payments for guarantee deposits with respect to these aircraft. However, some of these lease agreements include the obligation to make maintenance adjustment payments to lessors at the end of the lease period. These maintenance adjustments cover maintenance events that are not expected to be performed before the termination of the lease; for such agreements, the Company accumulates a liability related to the amount of the costs that will be incurred at the end of the lease, since no maintenance deposits have been made (Note 16).

k) Aircraft and engine maintenance

The Company is required to conduct various levels of aircraft maintenance. Maintenance requirements depend on the type of aircraft, age and the route network over which it operates (utilization).

Fleet maintenance requirements may include preventive maintenance tasks based on manufacturers’ recommendations, for example, component checks, airframe and systems checks, periodic major maintenance and engine checks.

Aircraft maintenance and repair consists of routine and non-routine tasks, divided mainly into three general categories: (i) routine line maintenance, (ii) major maintenance and (iii) component checks.

- (i) Routine line maintenance requirements consist of scheduled maintenance checks on the Company’s aircraft, including pre-flight, daily and weekly checks, any diagnostics and routine repairs and any unscheduled maintenance is performed as required. These type of maintenance events are normally performed by in-house trained mechanics and are primarily completed at the main airports that the Company currently serves, supported by sub-contracted companies.

Other maintenance activities are sub-contracted to certified maintenance business partners, repair and overhaul organizations. Routine maintenance also includes scheduled tasks that can typically take from six to 12 days to accomplish and are required between every 24 or 36 months, such as 24-month checks and C checks. All maintenance costs are expensed as incurred.

Notes to Consolidated Financial Statements

Major maintenance is accounted for under the deferral method, whereby the cost of major maintenance, major overhaul and repair is capitalized leasehold improvements to flight equipment and amortized over the shorter of the period to the next major maintenance event or the remaining contractual lease term. The next major maintenance event is estimated based on assumptions including estimated time of usage. The United States Federal Aviation Administration ("FAA") and the Mexican Federal Civil Aviation Agency (*Agencia Federal de Aviación Civil-AFAC*) authorized maintenance intervals and average removal times as recommended by the aircraft and components manufacturers of our fleet.

During the years ended December 31, 2024, 2023 and 2022, the Company capitalized major maintenance events as part of leasehold improvements to flight equipment for an amount of US\$129,354, US\$139,830 and US\$138,811, respectively. For the years ended December 31, 2024, 2023 and 2022, the amortization of major maintenance leasehold improvement costs was US\$150,625, US\$114,924 and US\$83,071, respectively. The amortization of deferred maintenance costs is recorded as part of depreciation and amortization in the consolidated statements of operations.

The Company has an engine flight hour agreement (repair agreement) that guarantees a cost for the engines' shop visits, provides miscellaneous engines' coverage, supports the cost of foreign objects damage events, ensures there is protection from annual escalations and grants credit for certain scrapped components. The cost associated with the miscellaneous engines' coverage is recorded monthly as incurred in the consolidated statements of operations.

Rotable spare parts, furniture and equipment are recorded at cost and are depreciated over their estimated useful lives using the straight-line method. Depreciation is calculated based on the cost less the estimated residual value of the assets.

Pre-delivery payments refer to prepayments made to aircraft and engine manufacturers during the manufacturing stage of the aircraft. The borrowing costs related to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset.

	Annual depreciation rate
Flight equipment	4.0-16.7%
Constructions and improvements	Remaining contractual lease term
Computer equipment	25%
Workshop tools	33.3%
Electric power equipment	10%
Communications equipment	10%
Workshop machinery and equipment	10%
Motorized transport equipment platform	25%
Service carts on board	20%
Office furniture and equipment	10%
Leasehold improvements to flight equipment	The shorter of: (i) remaining contractual lease term or (ii) the next major maintenance event ⁽¹⁾

The Company reviews annually the useful lives of these assets, and any changes are accounted for prospectively.

The value in use calculation is based on a discounted cash flow model, using projections of operating results for the near future, typically extending no more than five years. The recoverable amount of long-lived assets is sensitive to the uncertainties inherent in the preparation of projections and the discount rate used in the calculation.

Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

m) Foreign currency transactions and exchange differences

The Company’s consolidated financial statements are presented in U.S. dollars, which is the functional currency of the parent company and its main subsidiaries. For each subsidiary, the Company determines the functional currency, and items included in the financial statements of each entity are measured using the currency of the primary economic environment in which each entity operates (“the functional currency”).

The financial statements of foreign operations prepared under IFRS and denominated in their respective local currencies different from its functional currency are remeasured into their functional currency as follows:

- Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates at the dates of the transactions.
- All monetary assets and liabilities are translated into the functional currency at the exchange rate at the consolidated statement of financial reporting date.
- All non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- Equity accounts are translated at the prevailing exchange rate at the time the capital contributions were made and the profits were generated.
- Revenues, costs and expenses are translated at the average exchange rate during the applicable period.

Any differences resulting from the remeasurement into the respective functional currency are recognized in the consolidated statements of operations.

Assets and liabilities from foreign operations are converted from the functional currency to the presentation currency at the exchange rate on the reporting date; revenues and expenses are translated at each month during the year at the monthly average exchange rate.

Foreign currency differences arising on translation into the presentation currency are recognized in OCI. Exchange differences on translation of foreign operations for the years ended December 31, 2024, 2023 and 2022 were US\$(3,879), US\$749 and US\$3,471, respectively.

For the years ended December 31, 2024, 2023 and 2022, the most relevant exchange rates utilized in the conversions to US dollar are as follows:

Currency	2024		2023		2022	
	End of period exchange rate	Average exchange rate	End of period exchange rate	Average exchange rate	End of period exchange rate	Average exchange rate
Mexican Peso	Ps. 20.2683	Ps. 18.3000	Ps. 16.8935	Ps. 17.7665	Ps. 19.3615	Ps. 20.1254
Colon	¢. 512.2300	¢. 517.3692	¢. 524.7900	¢. 545.1760	¢. 594.9700	¢. 649.5908
Quetzal	Q. 7.71833	Q. 7.7695	Q. 7.8301	Q. 7.8428	Q. 7.8515	Q. 7.7765
Colombian Peso	COP. 4,409.15	COP. 4,071.03	COP. 3,822.05	COP. 4,327.66	COP. 4,810.20	COP. 4,255.44

n) Liabilities and provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

o) Employee benefits

i) Personnel vacations

The Company and its subsidiaries in Mexico and Central America recognize a reserve for the costs of paid absences, such as vacation time, based on the accrual method.

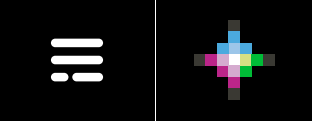
ii) Termination benefits

The Company recognizes a liability and expense for termination benefits at the earlier of the following dates:

- a) When it can no longer withdraw the offer of those benefits; and
- b) When it recognizes costs for a restructuring that is within the scope of IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, and involves the payment of termination benefits.

The Company is demonstrably committed to a termination when, and only when, it has a detailed formal plan for the termination and is without realistic possibility of withdrawal.

For the years ended December 31, 2024 and 2023, no termination benefits provision has been recognized.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

iii) Seniority premiums

In accordance with Mexican Labor Law, the Company provides seniority premium benefits to the employees who rendered services to its Mexican subsidiaries under certain circumstances. These benefits consist of a one-time payment equivalent to 12 days’ wages for each year of service (at the employee’s most recent salary, but not to exceed twice the legal minimum wage), payable to all employees with 15 or more years of service, as well as to certain employees terminated involuntarily prior to the vesting of their seniority premium benefit.

Obligations relating to seniority premiums, other than those arising from restructurings, are recognized based upon actuarial calculations and are determined using the projected unit credit method.

The latest actuarial computation was prepared as of December 31, 2024. Remeasurement of the net defined benefit liability arising from actuarial gains and losses are recognized in full in the period in which they occur in OCI. Such remeasurement gains and losses are not reclassified to profit or loss in subsequent periods.

The defined benefit asset or liability comprises the present value of the defined benefit obligation using a discount rate based on government bonds, less the fair value of plan assets out of which the obligations are to be settled.

For entities in Costa Rica, Guatemala and El Salvador, there is no obligation to pay seniority premiums; these countries have Post-Employee Benefits.

iv) Incentives

The Company has a quarterly incentive plan for certain personnel whereby cash bonuses are awarded for meeting certain performance targets. These incentives are payable shortly after the end of each quarter and are accounted for as a short-term benefit under IAS 19, *Employee Benefits*. A provision is recognized based on the estimated amount of the incentive payment. During the years ended December 31, 2024, 2023 and 2022, the Company expensed US\$4,249 US\$3,467 and US\$2,992, respectively, as quarterly incentive bonuses, recorded under the caption salaries and benefits.

The Company has a short-term benefit plan for certain key personnel whereby cash bonuses are awarded when certain Company’s performance targets are met. These incentives are payable shortly after the end of each year and also are accounted for as a short-term benefit under IAS 19. A provision is recognized based on the estimated amount of the incentive payment (Note 7).

v) Long-term incentive plan (“LTIP”) and long-term retention plan (“LTRP”)

The Company has adopted a long-term incentive plan (“LTIP”). This plan consists of a share purchase plan (equity-settled) and a share appreciation rights “SARs” plan (cash-settled), and therefore accounted under IFRS 2 “Share based payment.”

The Company measures the cost of its equity-settled transactions at fair value at the date the equity benefits are conditionally granted to employees. The cost of equity-settled transactions is recognized in the consolidated statements of operations, together with a corresponding increase in treasury shares, over the period in which the performance and/or service conditions are fulfilled.

During 2024, 2023 and 2022, the Company approved and renewed the long-term retention plan (“LTRP”), which consisted of a purchase plan (equity-settled). This plan does not include cash compensations granted through appreciation rights on the Company’s shares. The retention plans granted in previous periods will continue in full force and effect until their respective due dates and the cash compensation derived from them will be settled according to the conditions established in each plan.

a) Share-based payments

LTIP

- Share purchase plan (equity-settled)

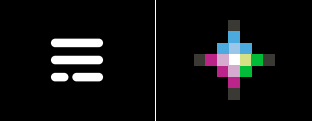
Certain key executives of the Company receive additional benefits through a share purchase plan denominated in Restricted Stock Units (“RSUs”), which has been classified as an equity-settled share-based payment. The cost of the equity-settled share purchase plan is measured at grant date, taking into account the terms and conditions on which the share options were granted. The equity-settled compensation cost is recognized in the consolidated statements of operations under the caption of salaries and benefits, over the required service period (Note 18).

b) SARs plan (share appreciation rights – cash-settled)

The Company granted SARs to key executives, which entitled them to a cash payment after a service period.

The amount of the cash payment is determined based on the increase in the share price of the Company between the grant date and the time of exercise. The liability for the SARs is measured, initially and at the end of each reporting period until settled, at the fair value of the SARs, taking into account the terms and conditions on which the SARs were granted. The compensation cost is recognized in the consolidated statements of operations under the caption of salaries and benefits, over the required service period (Note 18).

The cost of the SARs plan is measured initially at fair value at the grant date, further details of which are given in Note 18. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. Similar to the equity-settled awards described above, the valuation of cash-settled award also requires using similar inputs, as appropriate.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Management incentive plan ("MIP")

- MIP II

On February 19, 2016, the Board of Directors of the Company authorized an extension to the MIP for certain key executives; this plan was named MIP II. In accordance with this plan, the Company granted SARs to key executives, which entitled them to a cash payment after a service period. The amount of the cash payment is determined based on the increase in the share price of the Company between the grant date and the time of exercise. The liability for the SARs is measured initially and at the end of each reporting period until settled at the fair value of the SARs, taking into account the terms and conditions on which the SARs were granted. The compensation cost is recognized in the consolidated statements of operations under the caption of salaries and benefits, over the required service period (Note 18).

c) Board of Directors Incentive Plan ("BoDIP")

Certain members of the Board of Directors of the Company receive additional benefits through a share based plan, which has been classified as an equity-settled share-based payment and therefore accounted for under IFRS 2 "Share based payment."

In April 2018, the Board of Directors of the Company authorized a Board of Directors Incentive Plan "BoDIP," for the benefit of certain board members. The BoDIP grants options to acquire shares of the Company or CPOs during a five-year period, which was determined on the grant date. Under this plan, no service or performance conditions are required to the board members for exercise of the option to acquire shares, and therefore, they have the right to request the delivery of those shares at the time they pay for them.

In April 2023, the Company's Annual General Shareholders' Meeting modified the terms of the BoDIP so that, starting in 2023, certain members of the Board of Directors receive additional benefits through a stock based plan.

vi) Employee profit-sharing

The Mexican Income Tax Law ("MITL") establishes that the base for computing current-year employee profit-sharing shall be the taxpayer's taxable income of the year for income tax purposes, including certain adjustments established in the Income Tax Law, at the rate of 10%. The Mexican Federal Labor Law ("MFL") establishes a limit for employee profit-sharing payment, up to three months of the employee's current salary or the average employee profit-sharing received by the employee in the previous three years.

For the years ended December 31, 2024, 2023 and 2022, the employee profit-sharing recognized as operating expense in the consolidated statements of operations was US\$18,623, US\$1,481 and US\$136, respectively. Subsidiaries in Central America do not have such employee profit-sharing obligations, as it is not required by local regulations.

p) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities for payments to be made under the lease term and the right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, and lease payments made at or before the commencement date less any lease incentives received.

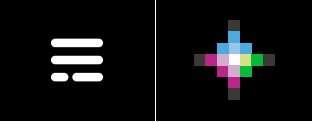
Components of the right-of-use assets are depreciated on a straight-line basis over the shorter of the remaining lease term and the estimated useful lives of the assets, as follows:

Aircraft	up to 18 years
Spare engines	up to 18 years
Buildings leases	up to 10 years
Maintenance components	up to eight years

ii. Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use assets or is recorded in profit or loss if the Company purchased the underlying asset.

The short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

During the years ended December 31, 2024, 2023 and 2022, there were no impairment charges recorded in relation to the right-of-use assets.

iii. Sale and leaseback

The Company enters into agreements whereby an aircraft or engine is sold to a lessor upon delivery and the lessor agrees to lease such aircraft or engine back to the Company.

The Company measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee. Accordingly, the Company recognizes in the consolidated statements of operations only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. If the fair value of the consideration for the sale of an asset does not equal the fair value of the asset, or if the payments for the lease are not at market rates, then the Company adjusts the difference to measure the sale proceeds at fair value and accounts for any below market terms as a prepayment of lease payments and any above-market terms as additional financing provided by the buyer-lessor to the seller-lessee.

First, the sale and leaseback transactions are analyzed within the scope of IFRS 15 - Revenue from Contracts with Customers, in order to verify whether the performance obligation has been satisfied and, therefore, are accounted for the sale of the asset. If this requirement is not met, then the transaction constitutes a failed sale and leaseback and is accounted for as financing transaction. If the requirements related to the performance obligation established in IFRS 15 are met, the Company measures an asset for right of use that arises from the sale transaction with subsequent lease in proportion to the book value of the asset related to the right-of-use assets retained by the Company. Consequently, only the gains or losses related to the rights transferred to the lessor-buyer are recognized.

During 2024 and 2023, the Company entered into 15 and 11 classified-as-failed sale and leaseback engines arrangements due to the presence of a substantive option allowing the Company to repurchase the engines at the end of the lease term.

q) Return obligations

The aircraft and engine lease agreements of the Company require specific return conditions, which are described as follows:

- a) Modifications to the underlying asset to meet the return conditions stipulated in the lease agreement, typically related to aircraft standardization and painting, which can be reasonably estimated at the beginning of the lease agreement. These costs are initially recognized at present value as part of the right-of-use assets.
- b) Aircraft components (airframe, APU and landing gears) and engines (overhaul and limited life parts) must be returned to lessors under specific conditions of maintenance. The costs of return, which in no case are related to scheduled major maintenance, are estimated and recognized ratably as a provision from the time it becomes likely such costs will be incurred and can be estimated reliably. These return costs are recognized as a component of variable lease expenses, and the provision is remeasured and included as part of other liabilities through the remaining lease term. The Company estimates the provision related to aircraft components and engines using certain assumptions, including the projected usage of the aircraft and the expected costs of maintenance tasks to be performed. This provision is made in relation to the present value of the expected future costs of meeting the return conditions (Notes 14 and 16).

r) Other taxes and fees payable

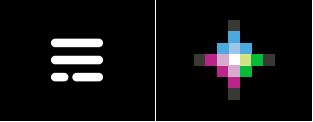
The Company is required to collect certain taxes and fees from customers on behalf of government agencies and airports and to remit these to the applicable governmental entity or airport on a periodic basis. These taxes and fees include federal transportation taxes, federal security charges, airport passenger facility charges, and foreign arrival and departure fees. These charges are collected from customers at the time they purchase their tickets but are not included in passenger revenue. The Company records liability upon collection from the customer and discharges the liability when payments are remitted to the applicable governmental entity or airport.

s) Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date.

Current income tax relating to items recognized directly in equity is recognized in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Deferred income tax

Deferred income tax is recognized in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, the carry-forward of unused tax credits and any available tax losses. Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and available tax losses can be utilized, except, in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilized.

The Company considers the following criteria in assessing the probability that taxable profit will be available against which the unused tax losses or unused tax credits can be utilized: (a) whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilized before they expire; (b) whether it is probable that the Company will have taxable profits before the unused tax losses or unused tax credits expire; (c) whether the unused tax losses result from identifiable causes that are unlikely to recur; and (d) whether tax planning opportunities are available to the Company that will create taxable profit in the period in which the unused tax losses or unused tax credits can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction in OCI.

Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Income taxes are computed based on tax laws approved in Mexico, Costa Rica, Guatemala and El Salvador at the date of the consolidated statement of financial position.

The IFRIC Interpretation 23 “Uncertainty over Income Tax Treatment” addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 Income Taxes. It does not apply to taxes or levies outside the scope of IAS 12 “Income Taxes,” nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately.
- The assumptions an entity makes about the examination of tax treatments by taxation authorities.
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
- How an entity considers changes in facts and circumstances.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

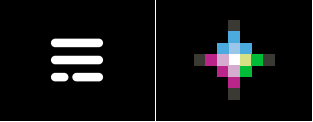
The Company applies significant judgment in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it continually assesses whether the interpretation has an impact on its consolidated financial statements.

Upon adoption of the Interpretation, the Company has considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company’s and the subsidiaries’ tax filings in different jurisdictions include deductions related to transfer pricing, and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing studies, that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities. As of December 31, 2024 and 2023, the IFRIC Interpretation 23 did not have an impact on the consolidated financial statements of the Company.

t) Derivative and non-derivative financial instruments and hedge accounting

The Company mitigates certain financial risks, such as volatility in the price of jet fuel, adverse changes in interest rates and exchange rate fluctuations, through a risk management program that includes the use of derivative financial instruments and non-derivative financial instruments.

In accordance with IFRS 9, derivative financial instruments and non-derivative financial instruments are recognized in the consolidated statement of financial position at fair value. At inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which it wishes to apply hedge accounting, as well as the risk management objective and strategy for undertaking the hedge. The documentation of the hedging records includes the hedging strategy and objective, identification of the hedging instrument, the hedged item or transaction, the nature of the risks being hedged and how the entity will assess the effectiveness of changes in the hedging instrument’s fair value in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk(s).



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Only if such hedges are expected to be effective in achieving offsetting changes in fair value or cash flows of the hedge item(s) and are assessed on an ongoing basis to determine that they have been effective throughout the financial reporting periods for which they were designated, hedge accounting treatment can be used.

Under the cash flow hedge (CFH) accounting model, the effective portion of the hedging instrument’s changes in fair value is recognized in OCI, while the ineffective portion is recognized in current year earnings in the statement of operations. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item. The amounts recognized in OCI are transferred to earnings in the period in which the hedged transaction affects earnings. During the years ended December 31, 2024, 2023 and 2022, the Company did not recognize an ineffective portion with respect to derivative financial instruments.

The realized gain or loss of derivative financial instruments and non-derivative financial instruments that qualify as CFH are recorded in the same caption of the hedged item in the consolidated statements of operations.

Accounting for the time value of options

The Company accounts for the time value of options in accordance with IFRS 9, which requires all derivative financial instruments to be initially recognized at fair value. Subsequent measurement for options purchased and designated as CFH requires that the option’s changes in fair value be segregated into its intrinsic value (which will be considered the hedging instrument’s effective portion in OCI) and its correspondent changes in extrinsic value (time value and volatility). The extrinsic value changes will be considered as a cost of hedging (recognized in OCI in a separate component of equity) and accounted for in earnings when the hedged items also are recognized in earnings.

u) Financial instruments – Disclosures

IFRS 7 (“Financial Instruments – Disclosures”) requires a three-level hierarchy for fair value measurement disclosures and requires entities to provide additional disclosures about the relative reliability of fair value measurements (Notes 4 and 5).

v) Treasury shares

The Company’s equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of treasury shares. Any difference between the carrying amount and the consideration received, if reissued, is recognized in additional paid-in capital. Share-based payment options exercised during the reporting period were settled with treasury shares (Note 18).

w) Operating segments

Management of Controladora monitors the Company as a single business unit that provides air transportation and related services; accordingly it has only one operating segment.

The Company has two geographic areas identified as domestic (Mexico) and international (United States of America, Central America and South America) (Note 26).

x) Current versus non-current classification

The Company presents assets and liabilities in the consolidated statements of financial position based on current/non-current classification. An asset is current when it is: (i) expected to be realized or intended to be sold or consumed in normal operating cycle, (ii) expected to be realized within 12 months after the reporting period or (iii) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non current.

A liability is current when: (i) it is expected to be settled in normal operating cycle, (ii) it is due to be settled within 12 months after the reporting period or (iii) there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

y) Impact of new International Financial Reporting Standards

New and amended standards and interpretations already effective

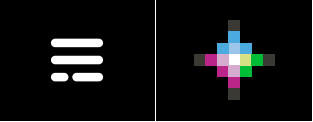
The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2024 and then must be applied retrospectively. The Company has not early adopted any other standard interpretation or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below:

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In 2020 and 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.



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For the years ended December 31, 2024 and 2023

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In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within 12 months.

As of January 1, 2024 and December 31, 2024, these amendments did not impact the Company’s audited consolidated financial statements. Since the changes primarily aim to provide greater clarity on classification criteria of certain loan agreements with the right to defer settlement, and its disclosure requirements related to future covenants, the Company has not identified any loan agreements classified as non-current with the characteristics aforementioned; therefore, the Company is not required to present any further disclosures within the audited consolidated financial statements. Thus, there is no material impact on the presentation of liabilities in the current financial statements.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted, and that fact must be disclosed.

As of January 1, 2024 and December 31, 2024, these amendments did not have a material impact on the audited consolidated financial statements of the Company on the subsequent measurement of the liability, due to the Company not having lease variable payments that are not dependent on a rate or index.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures,” to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk.

As of January 1, 2024 and December 31, 2024, these amendments did not impact the Company’s audited consolidated financial statements, due to the fact that the Company did not enter into reverse factoring agreements/transactions (“supplier finance arrangements”), which means that the Company does not have to comply with any new disclosure requirements and does not have to alter the classification or presentation of liabilities and cash flows.

Standards, amendments issued but not yet effective

Lack of exchangeability - Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The Company is currently assessing the impact of these amendments, which it expects to adopt on the effective date.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

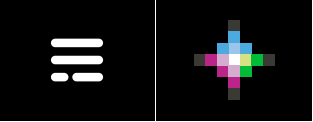
On May 30, 2024, the IASB issued targeted amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures” to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criteria;
- c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities.

The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after January 1, 2026, with early application permitted subject.

The Company is currently assessing the amendments, which it expects will not have impact on the consolidated financial statements.



Notes to Consolidated Financial Statements

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IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified “roles” of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 “Statement of Cash Flows,” which include changing the starting point for determining cash flows from operations under the indirect method, from “profit or loss” to “operating profit or loss” and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently assessing and identifying all the impacts that the adoption of the new standard will have on the consolidated financial statements and notes.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, that comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after January 1, 2027, with early application permitted.

The Company is currently assessing the adoption of the new standard, which it expects will not have impact on the consolidated financial statements.

2. Use of judgments, estimates and assumptions

The preparation of these consolidated financial statements requires management to make estimates, assumptions and judgments that affect the reported amount of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities at the date of the Company’s consolidated financial statements. The note 1 to the Company’s consolidated financial statements provides a detailed discussion of the material accounting policies. Certain of the Company’s accounting policies reflect significant judgments, assumptions or estimates about matters that are both inherently uncertain and material to the Company’s financial position or results of operations. (Note 1).

Actual results could differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised. Revisions to estimates are recognized prospectively. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

For leases, significant accounting judgments, estimates and assumptions, refer to Note 1q.

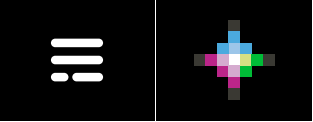
i) Return obligations

The aircraft lease agreements of the Company also require that the aircraft components (airframe, APU and landing gears) and engines (overhaul and limited life parts) be returned to lessors under specific conditions of maintenance. The costs of return, which in no case are related to scheduled major maintenance, are estimated and recognized ratably as a provision from the time it becomes likely such costs will be incurred and can be estimated reliably. These return costs are recognized on a straight-line basis as a component of variable lease expenses, and the provision is included as part of other liabilities through the remaining lease term. The Company estimates the provision related to aircraft components and engines using certain assumptions, including the projected usage of the aircraft and the expected costs of maintenance tasks to be performed. This provision is made in relation to the present value of the expected future costs of meeting the return conditions (Notes 14 and 16).

ii) Deferred taxes

Deferred tax assets are recognized for all available tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management’s judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning opportunities to advance taxable profit before expiration of available tax losses.

Tax losses relate to operations of the Company on a stand-alone basis, in conformity with current Tax Law and may be carried forward against taxable income generated in the succeeding years at each country and may not be used to offset taxable income elsewhere in the Company’s consolidated group (Note 20).



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

iii) Fair value measurement of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, they are determined using valuation techniques, including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

The judgments include considerations of inputs such as liquidity risk, credit risk and expected volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (Note 4).

iv) Impairment of long-lived assets

At each reporting date, the Company assesses whether there are indicators of impairment of its long-lived assets and right-of-use assets. Impairment exists when the carrying amount of a long-lived asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost to sell and its value-in-use.

In making these determinations, the Company uses certain assumptions, including, but not limited to, estimated, undiscounted future cash flows expected to be generated by these assets, which are based on additional assumptions, such as asset utilization and length of service the asset will be used in the Company’s operations, excluding additions and extensions.

The Company’s assumptions about future conditions are important to its assessment of potential impairment of its long-lived assets, are subject to uncertainty, and the Company will continue to monitor these conditions in future periods as new information becomes available and will update its analyses accordingly.

For the year ended December 31, 2024, the Company performed an impairment test on its only Cash Generating Unit (CGU), comprising the long-lived assets and the entire aircraft fleet, including right-of-use assets and flight equipment. The recoverable amount of the CGU was determined using a discounted cash flow model based on projections covering a five-year period. The determination of the recoverable amount considered a post-tax discount rate of 12.75% (pre-tax of 17.98%) and a long-term growth rate of 2.14%. It was concluded that the carrying amount of the CGU did not exceed its recoverable amount, based on the applied methodologies and assumptions, and therefore, no impairment charges were recorded.

For the years ended December 31, 2024 and 2023, the Company evaluated through an analysis if there were signs of impairment in its long-lived assets and right-of-use assets, and according to the result, it was concluded there were no signs of impairment.

v) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in its leases; therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term and, with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar

economic environment. The IBR therefore reflects what the Company would have to pay, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

vi) Consolidation of North Star Financing Limited

The Company does not hold any ownership interest in North Star Financing Limited. However, the Company assessed whether it has control over the entity based on the three elements of control defined in accordance with IFRS 10 “Consolidated Financial Statements.” Following this assessment, the Company determined that it is exposed to, or has rights to, variable returns from its involvement with the entity. Additionally, the Company has the current ability to direct the relevant activities of the entity to those that most significantly affect its returns through its existing decision-making power.

3. Financial instruments and risk management

Financial risk management

The Company’s activities are exposed to different financial risks stemming from exogenous variables that are not under their control but whose effects might be potentially adverse such as: (i) market risk, (ii) credit risk and (iii) liquidity risk.

The Company’s global risk management program is focused on uncertainty in the financial markets and tries to minimize the potential adverse effects on net earnings and working capital requirements. The Company uses derivative financial instruments to hedge part of such risks. The Company does not enter into derivatives for trading or speculative purposes. The sources of these financial risk exposures are included in both “on-balance sheet” exposures, such as recognized financial assets and liabilities, as well as in “off-balance sheet” contractual agreements and on highly expected forecasted transactions.

These on- and off-balance sheet exposures, depending on their profiles, do represent potential cash flow variability exposure, in terms of receiving less inflows or facing the need to meet outflows that are higher than expected, therefore increasing the working capital requirements.

Since adverse movements erode the value of recognized financial assets and liabilities, as well some other off-balance sheet financial exposures, there is a need for value preservation, by transforming the profiles of these fair value exposures. The Company has a Finance and Risk Management department, which identifies and measures financial risk exposures, in order to design strategies to mitigate or transform the profile of certain risk exposures, which are taken up to the corporate governance level for approval.

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Notes to Consolidated Financial Statements

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(In thousands of U.S. dollars, except when indicated otherwise)

Market risk

a) Jet fuel price risk

Since the contractual agreements with jet fuel suppliers include reference to jet fuel index, the Company is exposed to fuel price risk, which might have an impact on the forecasted consumption volumes. The Company’s jet fuel risk management policy aims to provide the Company with protection against increases in jet fuel prices. In an effort to achieve the aforesaid, the risk management policy allows the use of derivative financial instruments available on over-the-counter (“OTC”) markets with approved counterparties and within approved limits. Aircraft jet fuel consumed in the years ended December 31, 2024, 2023 and 2022 represented 33%, 38% and 46% of the Company’s operating expenses, respectively. For the years ended December 31, 2024, 2023 and 2022, the Aircraft jet fuel consumption recognized as operating expense in the consolidated statements of operations was US\$893,987, US\$1,165,078 and US\$1,299,254, respectively.

In September 2024, the Company contracted Asian Call Options on U.S. Gulf Coast Jet Fuel 54 designated to hedge 25,832 thousand gallons. These hedges represented a portion of the projected consumption for the 4Q 2024 and 1Q 2025.

In October 2024, the Company contracted Asian Call Options on U.S. Gulf Coast Jet Fuel 54 designated to hedge 14,457 thousand gallons. These hedges represented a portion of the projected consumption for the 4Q 2024 and 1Q 2025. During the years ended December 31, 2023 and 2022, the Company did not enter into derivative financial instruments to hedge jet fuel.

In accordance with IFRS 9, the Company separates the intrinsic value from the extrinsic value of an option contract; as such, the change in the intrinsic value can be designated as hedge accounting. Because extrinsic value (time and volatility values) of the options is related to a “transaction-related hedged item,” it is required to be segregated and accounted for as a cost of hedging in OCI and accrued as a separate component of stockholders’ equity until the related hedged item matures and therefore impacts profit and loss.

The underlying asset (U.S. Gulf Coast Jet Fuel 54) of the options held by the Company during 2024 is a consumption asset (energy commodity), which is not in the Company’s inventory. Instead, it is directly consumed by the Company’s fleet at different airport terminals. Therefore, although a non-financial asset is involved, its initial recognition does not generate a book adjustment in the Company’s inventories.

Rather, it is initially accounted for in the Company’s OCI and a reclassification adjustment is made from OCI to profit and loss and recognized in the same period or periods in which the hedged item is expected to be allocated to profit and loss. Furthermore, when performing hedges, the Company hedges its forecasted jet fuel consumption month after month, which is consistent with the maturity date of the monthly serial Asian call options.

During the year ended December 31, 2024, the intrinsic value of the Asian call options recycled to the fuel cost was an expense of US\$1,317.

As of December 31, 2024, the fair value of the outstanding U.S. Gulf Coast Jet Fuel Asian call options was US\$431. The cost of hedging derived from the extrinsic value changes of the jet fuel hedged position given the out-of-the-money position as of December 31, 2024 recognized in other comprehensive loss was US\$307.

The cost of hedging recycled to the fuel cost during 4Q 2024 and will recycle to the fuel cost during 1Q 2025, as these options expire on a monthly basis and the jet fuel is consumed. Contracted options for 4Q 2024 expired and the only outstanding are the ones for 1Q 2025.

Position as of December 31, 2024 Jet fuel Asian call option contracts maturities		
1Q 2025		
Notional volume in gallons (thousands) ⁽¹⁾		14,356
Strike price agreed rate per gallon ⁽²⁾	US\$	2.18 / 2.25
Approximate percentage of hedge (of expected consumption value)		17%

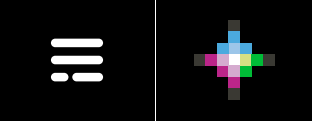
⁽¹⁾ U.S. Gulf Coast Jet Fuel 54 as underlying asset
⁽²⁾ Weighted Average

Fuel Sensitivity

The sensitivity analysis provided below presents the impact of a change of US\$0.01 per gallon in fuel market spot price in the Company’s financial performance. Considering these figures, an increase of US\$0.01 per gallon in the fuel prices during 2024, 2023 and 2022 would have impacted the Company’s operating costs in US\$3,227, US\$3,719 and US\$3,399, respectively.

As of December 31,			
	2024 Operating costs	2023 Operating costs	2022 Operating costs
(In thousands of U.S. dollars)			
+ US\$0.01 per gallon	3,227	3,719	3,399
- US\$0.01 per gallon	(3,227)	(3,719)	(3,399)

The Company has been proactively trying to mitigate this impact over our business through revenue yielding and a continued effort towards a reduced fuel consumption. Nonetheless, our ability to pass on any significant increases in fuel costs through fare increases is also limited by our ultra-low-cost business model and market high elasticity to price.



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(In thousands of U.S. dollars, except when indicated otherwise)

b) Foreign currency risk

The Company is exposed to transactional foreign currency risk due to potential mismatches between the currencies in which sales, expenses, receivables and borrowings are denominated, and the respective functional currencies of the Company and its subsidiaries. The U.S. dollar is the functional currency for Controladora and its main subsidiaries. Transactions are primarily denominated in U.S. dollars and Mexican pesos, with minor transactions denominated in other currencies such as Quetzales, Colombian pesos and Colones.

Foreign currency risk arises from possible unfavorable movements in the exchange rate, which could have a negative impact in the Company's cash flows. To mitigate this risk, the Company may use foreign exchange derivative financial instruments and non-derivative financial instruments.

The summary of quantitative data about the Company's exposure to currency risk as of December 31, 2024 is as set forth below:

	Mexican Pesos		Others ⁽¹⁾	
(In thousands of U.S. dollars)				
Assets:				
Cash and cash equivalents	US\$	69,156	US\$	31,847
Other accounts receivable, net		45,381		676
Guarantee deposits		27,710		445
Derivative financial instruments		271		-
Other assets		5,169		-
Total assets	US\$	147,687	US\$	32,968
Liabilities:				
Financial debt	US\$	118,590	US\$	-
Lease liabilities		19,772		52
Suppliers		132,244		2,537
Other liabilities		253,822		2,206
Total liabilities	US\$	524,428	US\$	4,795
Net foreign currency position	US\$	(376,741)	US\$	28,173

⁽¹⁾ The foreign exchange exposure mainly includes: Colones, Colombian pesos and Quetzales.

The summary of quantitative data about the Company's exposure to currency risk as of December 31, 2023 is as set forth below:

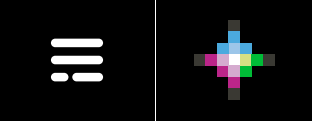
	Mexican Pesos		Others ⁽¹⁾	
(In thousands of U.S. dollars)				
Assets:				
Cash and cash equivalents	US\$	100,488	US\$	13,287
Other accounts receivable, net		54,594		34,650
Guarantee deposits		29,951		514
Derivative financial instruments		1,683		-
Total assets	US\$	186,716	US\$	48,451
Liabilities:				
Financial debt	US\$	186,251	US\$	-
Lease liabilities		19,655		73
Suppliers		142,453		2,254
Other liabilities		57,283		2,958
Total liabilities	US\$	405,642	US\$	5,285
Net foreign currency position	US\$	(218,926)	US\$	43,166

(1) The foreign exchange exposure mainly includes: Colones, Colombian pesos and Quetzales.

At April 10, 2025, the exchange rate was US\$1 per Ps. 20.6867.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognizes the non monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

As of December 31, 2024, 2023 and 2022, the Company did not enter into foreign exchange rate derivatives financial instruments.



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For the years ended December 31, 2024 and 2023

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Foreign currency sensitivity

The following table demonstrates the sensitivity of a reasonably possible change in Mexican peso exchange. The rate to U.S. dollar that would have occurred as of December 31, 2024 and 2023, with all other variables held constant. The movement in the pre-tax effect shown below represents the result of a change in the fair value of assets and liabilities denominated in Mexican peso. The Company’s exposure to foreign currency exchange rates for all other currencies is not material.

Change in MXN\$ rate		Effect on profit before tax	
(In thousands of U.S. dollars)			
2024	+5%	US\$	(17,428)
	-5%		17,428

Change in MXN\$ rate		Effect on profit before tax	
(In thousands of U.S. dollars)			
2023	+5%	US\$	(8,788)
	-5%		8,788

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s long-term debt obligations and flight equipment lease agreements with floating interest rates.

The Company’s results are affected by fluctuations in certain benchmark market interest rates due to the impact that such changes may have on interest-bearing contractual agreements indexed to the Secured Overnight Financing Rate (“SOFR”) and the Interbank Equilibrium Interest Rate (“TIIE”).

In November 2020, the ICE Benchmark Administration (“IBA”), the FCA-regulated and authorized administrator of LIBOR, announced that starting 2022, LIBOR will no longer be used to issue new loans and the last rates were published on June 30, 2023. As of December 31, 2024 and 2023, all our U.S. dollar financing facilities at floating rate are referenced to SOFR (Note 5b).

The Company uses derivative financial instruments to reduce its exposure to fluctuations in market interest rates and accounts for these instruments as an accounting hedge.

In most cases, when a derivative can be tailored within the terms and it perfectly matches cash flows of a leasing or financing agreement, it may be designated as a CFH and the effective portion of fair value variations are recorded in equity until the date the cash flow of the hedged lease payment is recognized in the consolidated statements of operations.

In July 2019, the Irrevocable Trust number CIB/3249, whose trustor is the Company, entered into a cap to mitigate the risk due to interest rate increases on the CEBUR (VOLARCB19) coupon payments. The floating rate coupons’ reference to TIIE 28 was limited under the “cap” to 10% on the reference rate for the life of the CEBUR (VOLARCB19) and had the same amortization schedule.

The cap started on July 19, 2019, and the maturity date was June 20, 2024, consisting of 59 “caplets” with the same specifications as the CEBUR (VOLARCB19) coupons for reference rate determination, coupon term and fair value.

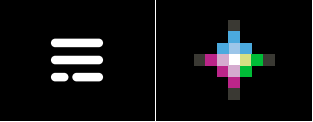
The following table, shows the sensitivity analysis of the change that would have occurred in the fair value of the interest hedging instrument on the CEBUR (VOLARCB19) in 2023 as a result of a reasonably possible change in rates, keeping all other variables constant is as set forth below:

Change in interest rate		Effect on cap ⁽¹⁾	
(In thousands of U.S. dollars)			
2023	+0.50%	US\$	14
	-0.50%		(13)

(1) The effect would affect OCI in relation to the interest rate caps.

In addition, during November 2021, the Trust entered into a cap to mitigate the risk due to interest rate increases on the CEBUR (VOLARCB21L) coupon payments. The floating rate coupons reference to TIIE 28 are limited under the cap to 10% on the reference rate for the life of the CEBUR (VOLARCB21L) and have the same amortization schedule.

The cap started on November 3, 2021, and the maturity date is October 20, 2026, consisting of 59 “caplets” with the same specifications as the CEBUR (VOLARCB21L) coupons for reference rate determination, coupon term and fair value.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

The following table,shows the sensitivity analysis of the change that would have occurred in the fair value of the interest hedging instrument on the CEBUR (VOLARCB21L) in 2024 and 2023 as a result of a reasonably possible change in rates, keeping all other variables constant is as set forth below:

Change in interest rate		Effect on cap ⁽¹⁾	
(In thousands of U.S. dollars)			
2024	+0.50%	US\$	100
	-0.50%		(70)
2023	+0.50%	US\$	311
	-0.50%		(269)

(1) The effect would affect OCI in relation to the interest rate caps.

In October 2023, the Trust entered into a cap to mitigate the risk due to interest rate increases on the CEBUR (VOLARCB23) coupon payments. The floating rate coupons reference to TIIE 28 are limited under the cap to 13% on the reference rate for the life of the CEBUR (VOLARCB23) and have the same amortization schedule.

The cap started on October 20, 2023, and the maturity date is September 20, 2028, consisting of 59 “caplets” with the same specifications as the CEBUR (VOLARCB23) coupons for reference rate determination, coupon term and fair value.

The following table, shows the sensitivity analysis of the change that would have occurred in the fair value of the interest hedging instrument on the CEBUR (VOLARCB23) in 2024 as a result of a reasonably possible change in rates, keeping all other variables constant is as set forth below:

Change in interest rate		Effect on cap ⁽¹⁾	
(In thousands of U.S. dollars)			
2024	+0.50%	US\$	149
	-0.50%		(125)
2023	+0.50%	US\$	132
	-0.50%		(89)

(1) The effect would affect OCI in relation to the interest rate caps.

As of December 31, 2024 and 2023, the Company’s outstanding hedging contracts in the form of interest rate caps with notional amount of Ps.2.42 billion (US\$119.2 million based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024) and Ps.3.16 billion (US\$187.4 million based on an exchange rate of Ps. 16.89 to US\$1 on December 31, 2023), respectively, had fair values of US\$271 and US\$1,683, respectively, and are presented as part of the financial assets in the consolidated statement of financial position. As of December 31, 2024 and 2023, the Company recognized US\$30 and US\$(1,175), respectively, in other comprehensive income (loss) in relation to the interest rate caps.

For the years ended December 31, 2024, 2023 and 2022, the amortization of the intrinsic value of the cap was US\$896, US\$579 and US\$161, respectively, recycled to the consolidated statements of operations as part of the finance cost. During 2024, 2023 and 2022, there was no ineffective portion resulting from these hedging instruments.

In August 2024, the Company entered into T-Locks agreements (Treasury Rate Locks) to mitigate the risk associated with floating rates indexed to lease agreements. The floating rate referenced to US5Y (United States 5Y Treasury Note) was locked for a notional of US\$24,900 maturing in August 2024.

As of December 31, 2024, the Company recognized a total of US\$117 in other comprehensive loss.

As of December 31, 2024, the Company does not have any outstanding hedging contracts balances in the form of T-Locks.

Notes to Consolidated Financial Statements

Debt Sensitivity Analysis

The following sensitivity analysis considers the position exposed to variable interest rates.

The Interbank Equilibrium Interest Rate of the Banco de Mexico (TIE) 28 days decreased 125 basis points from 2023 to 2024, going from 11.50% to 10.25%, and increased 72 basis points from 2022 to 2023, going from 10.78% to 11.50%, respectively. The Secured Overnight Financing Rate (SOFR) three months decreased 102 basis points from 2023 to 2024, going from 5.33% to 4.31%, and increased 73 basis points from 2023 to 2024, going from 4.60% to 5.33%, respectively, and SOFR one month decreased 102 basis points from 2023 to 2024, going from 5.35% to 4.33%, and increased 99 basis points from 2022 to 2023, going from 4.36% to 5.35%, respectively.

In addition to the reference rate changes, if the interest rate had changed on an annual average in the magnitude shown, the impact on the interest expense in the consolidated statements of operations would have been as shown below:

	Year ended December 31, 2024				Year ended December 31, 2023			
	+100 BP		- 100 BP		+ 100 BP		- 100 BP	
(In thousands of U.S. dollars)								
Asset-backed trust notes (“CEBUR”) ⁽¹⁾	US\$	1,385	US\$	(1,385)	US\$	1,435	US\$	(1,435)
Incline II B Shannon 18 Limited (PDP BBAM)		889		(889)		930		(930)
Banco Santander México, S.A. y Banco Nacional de Comercio Exterior, S.N.C. (“Santander-Bancomext”)		783		(783)		533		(533)
GY Aviation Lease 1714 Co. Limited (PDP CDB)		651		(651)		352		(352)
JSA International U.S. Holdings, LLC (PDP JSA)		294		(294)		288		(288)
Oriental Leasing 6 Company Limited (PDP CMB)		834		(834)		131		(131)
Total	US\$	4,836	US\$	(4,836)	US\$	3,669	US\$	(3,669)

(1) Every Trust Note of (CEBUR VOLARCB19 and VOLARCB21L) issuance has a 10% CAP, and for every Trust Note of (CEBUR VOLARCB23), issuance has a 13% CAP, both on TIIE 28 to limit interest payments to increasing rates.

Fixed-rate instruments

The Company accounts for some fixed-rate financial liabilities; therefore, a change in interest rates at the reporting date would not affect profit or loss.

d) Liquidity risk

Liquidity risk represents the risk that the Company has insufficient funds to meet its obligations. Because of the cyclical nature of the business, the operations, and its investment and financing needs related to the acquisition of new aircraft and renewal of its fleet, the Company requires liquid funds to meet its obligations.

The Company manages its cash, cash equivalents and its financial assets, relating the term of investments with those of its obligations. Its policy is that the average term of its investments may not exceed the average term of its obligations. This cash and cash equivalents position is invested in highly liquid short-term instruments through financial entities.

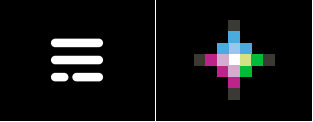
The Company has future obligations related to maturities of bank borrowings, lease liabilities and derivative contracts. The Company's exposure outside consolidated statements of financial position represents the future obligations related to aircraft purchase contracts. The Company concluded that it has a low concentration of risk since it has access to alternate sources of funding.

The Company has debts related to the Aircraft pre-delivery payments, which are settled with the reimbursement of the Aircraft pre-delivery payments when the sale and leaseback transaction is carried out (Note 25).

As of December 31, 2024, our cash and cash equivalents were US\$907,981.

The table below presents the Company's contractual principal payments required on its financial liabilities:

	December 31, 2024					
	Within one year		More than a year		Total	
Interest-bearing borrowings:						
Pre-delivery payments facilities (Note 5)	US\$	215,393	US\$	145,589	US\$	360,982
Asset-backed trust note (“CEBUR”) (Note 5)		24,669		94,565		119,234
Other financing agreements (Note 5)		30,918		288,978		319,896
Lease liabilities:						
Aircraft, engines, land and buildings leases (Note 14)		391,158		2,670,378		3,061,536
Aircraft and engine lease return obligation (Note 16)		44,045		333,332		377,377
Total	US\$	706,183	US\$	3,532,842	US\$	4,239,025



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December 31, 2023					
		Within one year		More than a year	Total
Interest-bearing borrowings:					
Pre-delivery payments facilities (Note 5)	US\$	157,318	US\$	151,322	US\$ 308,640
Asset-backed trust note (“CEBUR”) (Note 5)		44,396		143,054	187,450
Other financing agreements (Note 5)		12,157		140,906	153,063
Lease liabilities:					
Aircraft, engines, land and buildings leases (Note 14)		372,697		2,518,745	2,891,442
Aircraft and engine lease return obligation (Note 16)		803		286,405	287,208
Total	US\$	587,371	US\$	3,240,432	US\$ 3,827,803

e) Credit risk

Credit risk is the risk that any counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily from trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments including financial instruments derivatives.

Financial instruments that expose the Company to credit risk involve mainly cash equivalents and accounts receivable. Credit risk on cash equivalents relates to amounts invested with financial institutions.

Credit risk on accounts receivable relates primarily to amounts receivable from the international credit card companies. The Company has a high receivable turnover, hence management believes credit risk is minimal due to the nature of its businesses, which have a large portion of their sales settled in credit cards.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties have a high credit rating assigned by international credit-rating agencies.

Outstanding derivative financial instruments expose the Company to credit loss in the event of nonperformance by the counterparties to the agreements. However, the Company does not expect any of its counterparties to fail to meet their obligations. The amount of such credit exposure is generally the unrealized gain, if any, in such contracts.

To manage credit risk, the Company selects counterparties based on credit assessments, limits overall exposure to any single counterparty and monitors the market position with each counterparty. The Company does not purchase or hold derivative financial instruments for trading purposes.

As of December 31, 2024, the Company determined that its credit risk associated with outstanding derivative financial instruments is low, as it exclusively engages in such instruments with counterparties that have high credit ratings assigned by international credit-rating agencies.

f) Capital management

Management believes that the resources available to the Company are enough for its present requirements and will be sufficient to meet its anticipated requirements for capital expenditures and other cash requirements for the next fiscal year. The primary objective of the Company’s capital management is to ensure that it maintains healthy capital ratios to support its business and maximize the shareholder’s value. No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2024 and 2023. The Company is not subject to any externally imposed capital requirement, other than the legal reserve (Note 19).

As part of the management strategies related to acquisition of its aircraft (pre-delivery payments), the Company pays the associated short-term obligations by entering into sale-leaseback agreements, whereby an aircraft is sold to a lessor upon delivery (Note 5b).

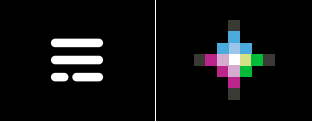
4. Fair value measurements

The only financial assets and liabilities measured at fair value after initial recognition are the derivative financial instruments. Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability; or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is assessed using the course of thought that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

The assessment of a non-financial asset’s fair value considers the market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Set out below is a comparison by class of the carrying amounts and fair values of the Company’s financial instruments, other than those for which carrying amounts are reasonable approximations of fair values:

	Carrying amount		Fair value	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Assets				
Derivative financial Instruments	US\$ 702	US\$ 1,683	US\$ 702	US\$ 1,683
Liabilities				
Financial debt (Interest-bearing loans and borrowings)	(800,112)	(649,153)	(846,456)	(671,590)
Total	US\$ (799,410)	US\$ (647,470)	US\$ (845,754)	US\$ (669,907)

The following table summarizes the fair value measurements by hierarchy as of December 31, 2024:

	Fair value measurement			
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	Total
Assets				
Derivatives financial instruments:				
Jet Fuel Asian Call Options ⁽¹⁾	US\$ -	US\$ 431	US\$ -	US\$ 431
Interest rate Caps	-	271	-	271
Liabilities				
Liabilities for which fair values are disclosed:				
Interest-bearing loans and borrowings ⁽²⁾	-	(846,456)	-	(846,456)
Net	US\$ -	US\$ (845,754)	US\$ -	US\$ (845,754)

(1) Jet fuel forward levels.
(2) SOFR curve and TIIE Mexican interbank rate. Includes short-term and long-term debt. There were no transfers between level 1 and level 2 during the period.

Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

The following table summarizes the fair value measurements by hierarchy as of December 31, 2023.

Fair value measurement								
	Quoted prices in active markets Level 1		Significant observable inputs Level 2		Significant unobservable inputs Level 3		Total	
Assets								
Derivatives financial instruments:								
Interest rate Caps	US\$	-	US\$	1,683	US\$	-	US\$	1,683
Liabilities								
Liabilities for which fair values are disclosed:								
Interest-bearing loans and borrowings ⁽²⁾		-		(671,590)		-		(671,590)
Net	US\$	-	US\$	(669,907)	US\$	-	US\$	(669,907)

(1) SOFR curve and TIIE Mexican interbank rate. Includes short-term and long-term debt. There were no transfers between level 1 and level 2 during the period.

The following table summarizes the effects from derivatives financial instruments recognized in the consolidated statements of operations for the years ended December 31, 2024, 2023 and 2022:

Instrument	Financial statements caption	2024		2023		2022	
Jet fuel Asian call options contracts	Fuel expense	US\$	(1,317)	US\$	-	US\$	-
Interest rate cap	Finance cost		(896)		(579)		(161)
Total		US\$	(2,213)	US\$	(579)	US\$	(161)

The following table summarizes the net (loss) gain on CFH before taxes recognized in the consolidated statements of comprehensive income for the years ended December 31, 2024, 2023 and 2022:

Consolidated statements of other comprehensive (loss) income

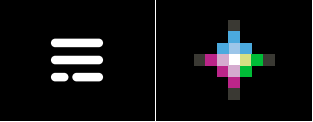
Instrument	Financial statements caption	2024		2023		2022	
Jet fuel Asian call options contracts	OCI	US\$	(307)	US\$	-	US\$	-
T-Locks	OCI		(117)		-		-
Interest rate cap	OCI		30		(1,175)		336
Total		US\$	(394)	US\$	(1,175)	US\$	336

5. Financial assets and liabilities

As of December 31, 2024 and 2023, the Company’s financial assets measured at amortized cost are represented by cash and cash equivalents, short-term investments, trade and other accounts receivable, for which their carrying amount is a reasonable approximation of fair value.

a) Financial assets

	December 31, 2024		December 31, 2023	
Derivative financial instruments designated as cash flow hedges (effective portion recognized within OCI)				
Jet Fuel Asian Call Options	US\$	431	US\$	-
Interest rate cap		271		1,683
Total derivative financial assets	US\$	702	US\$	1,683
Presented on the consolidated statements of financial position as follows:				
Current	US\$	431	US\$	-
Non-current	US\$	271	US\$	1,683



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

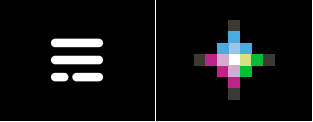
b) Financial debt

(i) As of December 31, 2024 and 2023, the Company’s short-term and long-term debt consists of the following:

		December 31, 2024	December 31, 2023
I.	Asset-backed trust notes (“CEBUR”), in Mexican pesos, matured on June 20, 2024, bearing an annual interest rate of TIIE plus 175 basis points.	US\$ -	US\$ 14,799
II.	Asset-backed trust notes (“CEBUR”), in Mexican pesos, with a maturity date on October 20, 2026, bearing an annual interest rate of TIIE plus 200 basis points, plus 25 basis points ⁽¹⁾ .	45,227	83,859
III.	Asset-backed trust notes (“CEBUR”), in Mexican pesos, with a maturity date on September 20, 2028, bearing an annual interest rate of TIIE plus 215 basis points.	74,007	88,792
IV.	Revolving credit line with Banco Santander, S.A., (“Santander”) and Banco Nacional de Comercio Exterior, S.N.C. (“Bancomext”), in U.S. dollars, to finance pre-delivery payments, bearing an annual interest rate of SOFR plus a spread of 298 basis points, plus 5 basis points. In August 2024, the Company increased the facility amount to include additional aircraft, extending the maturity date to December 31, 2028; the interest rate from the additional aircraft excludes the sustainability adjustment.	109,976	57,855
V.	Pre-delivery payments financing with JSA International U.S. Holdings, LLC, with a maturity date on November 30, 2025, bearing an annual interest of SOFR plus a spread of 300 basis points, along with additional adjustment up to 26 basis points.	25,907	35,983
VI.	Pre-delivery payments financing with GY Aviation Lease 1714 Co. Limited, with maturity date on November 30, 2025, bearing annual interest of SOFR plus a spread of 425 basis points, along with additional adjustment up to 26 basis points.	60,629	64,495
VII.	Pre-delivery payments financing with Incline II B Shannon 18 Limited, with maturity date on May 31, 2025, bearing annual interest of SOFR plus a spread of 390 basis points.	41,432	107,178
VIII.	Pre-delivery payments financing with Oriental Leasing 6 Company Limited, with maturity date on May 31, 2027, bearing an annual interest of SOFR plus a spread of 200 basis points, along with additional adjustment up to 26 basis points.	123,038	43,129
IX.	Financing for the acquisition of engines with Tarquin Limited, with maturity on September 15, 19 and 26, 2028, bearing an annual interest of 6.20%.	41,812	44,052

		December 31, 2024	December 31, 2023
X.	Financing for the acquisition of engines with NBB-V11218 Lease Partnership, with maturity on September 9, 2028, bearing an annual interest of 6.20%.	8,095	8,821
XI.	Financing for the acquisition of engines with NBB-V11951 Lease Partnership, with maturity on September 12, 2028, bearing an annual interest of 6.20%.	7,473	8,143
XII.	Financing for the acquisition of engines with Wilmington Trust SP Services (Dublin) Limited (not in its individual capacity but solely as Owner Trustee) for the acquisition of several engines, with maturity in September and October 2028, bearing an annual interest of 7.16%.	63,732	71,507
XIII.	Financing for the acquisition of engines with NBB Pintail Co., LTD, with maturity date on November 27, 2028, bearing an annual interest of 6.99%.	19,795	20,540
XIV.	Financing for the acquisition of engines with Bank of Utah Corporate Trust, with maturity date in July, August, October and November 2029, bearing an annual interest of 6.20%.	71,624	-
XV.	Financing for the acquisition of engines with RRPf Engine Leasing Limited, with maturity date on November 14, 2032, bearing an annual interest of 6.80%.	36,473	-
XVI.	Financing for the acquisition of engines with BOC Aviation (Ireland) Limited, with maturity date in October and November 2029, bearing an annual interest of 6.86%.	70,892	-
XVII.	Transaction costs to be amortized.	(3,590)	(3,158)
XVIII.	Accrued interest and other financial cost.	13,456	7,070
		809,978	653,065
Less: Short-term maturities		283,616	220,289
Long-term Financial debt		US\$ 526,362	US\$ 432,776

TIIE: Mexican interbank rate
SOFR: Secured Overnight Financing Rate
⁽¹⁾ Sustainability adjustment



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

(ii) The following table provides a summary of the Company’s scheduled remaining principal payments of financial debt and projected interest, at December 31, 2024:

	Within one year		January 2026 - December 2026		January 2027 - December 2027		January 2028 - onwards		Total	
CEBUR program	US\$	24,669	US\$	29,808	US\$	37,004	US\$	27,753	US\$	119,234
Santander/Bancomext		-		98,149		11,827		-		109,976
JSA International U.S. Holdings, LLCA		25,907		-		-		-		25,907
GY Aviation Lease 1714 Co. Limited		60,629		-		-		-		60,629
Incline II B Shannon 18 Limited		41,432		-		-		-		41,432
Oriental Leasing 6 Company Limited		87,425		35,613		-		-		123,038
Tarquin Limited		2,384		2,536		2,698		34,194		41,812
Lease Partnership NBB –V11218		772		822		874		5,627		8,095
Lease Partnership NBB – V11951		712		758		806		5,197		7,473
Wilmington Trust SP Services (Dublin) Limited		8,373		9,001		9,676		36,682		63,732
NBB Pintail Co. LTD		799		857		919		17,220		19,795
Bank of Utah Corporate Trust		7,975		8,484		9,025		46,140		71,624
RRPF Engine Leasing Limited		2,203		2,356		2,521		29,393		36,473
BOC Aviation (Ireland) Limited		7,700		8,249		8,839		46,104		70,892
Financial debt		270,980		196,633		84,189		248,310		800,112
Accrued interest		13,456		-		-		-		13,456
Projected interest		63,018		34,608		22,104		22,613		142,343
Total	US\$	347,454	US\$	231,241	US\$	106,293	US\$	270,923	US\$	955,911

On December 19, 2024, the Company entered into a pre-delivery payment financing with Runway Eleven Lender LLC at an annual interest rate of SOFR plus 275 basis points, for the acquisition of its aircraft through a revolving facility. For purposes of financing these pre-delivery payments, an Irish SPV was created whereby the Company assigned its rights and obligations under the Airbus Purchase Agreement with Airbus S.A.S. (“Airbus”), including its obligation to make pre-delivery payments.

The “Runway Eleven Lender LLC” does not include financial covenants or financial obligations.

On June 8, 2022, the Company entered into a pre-delivery payment financing with Santander/Bancomext at an annual interest rate of SOFR plus 298 basis points, for the acquisition of its aircraft through a revolving facility. For purposes of financing these pre-delivery payments, a Mexican trust was created whereby the Company assigned its rights and obligations under the Airbus Purchase Agreement with Airbus S.A.S. (“Airbus”), including its obligation to make pre-delivery payments to the Mexican trust. The Company guaranteed the obligations of the Mexican trusts under the financing agreement (CIBanco, S.A. Institución de Banca Múltiple) Trust 3853. A feature of this financing is that it will incur an additional five basis points if the sustainability goals are not met. On August 31, 2023, the interest rate increased by five basis points, with the possibility of mitigating the additional rate if the objectives are met in the upcoming years.

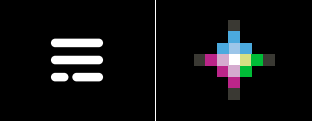
In August 2024, the Company signed an amendment to increase the facility amount and to include the predelivery payments for additional aircraft, with a new maturity date on December 31, 2028.

The “Santander/Bancomext” loan agreement provides for certain covenants, including limits to the ability to, among others:

- i) Incur debt above a specified debt basket unless certain financial ratios are met.
- ii) Create liens.
- iii) Merge with or acquire any other entity without the previous authorization of the Banks.
- iv) Dispose of certain assets.
- v) Declare and pay dividends or make distributions on the Company’s share capital.

As of December 31, 2024 and 2023, the Company complied with the covenants under the mentioned loan agreement.

As of December 31, 2024, the outstanding balance of the financial debt related to finance pre-delivery payments of aircraft amounts to US\$360,982, the Company covers this obligation through the sale and the collection made by the transaction denominated as sale and leaseback at the time of delivery; therefore, it does not represent a disbursement that directly impacts the Company’s working capital.



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(In thousands of U.S. dollars, except when indicated otherwise)

As of December 31, 2024, the Company has signed credit lines totaling US\$1,873,384, of which US\$1,315,384 were related to financial debt (US\$308,592 were undrawn) and US\$558,000 were related to letters of credit (US\$229,272 were undrawn). As of December 31, 2024, the Company had available lines of credit by US\$537,864. As of December 31, 2023, the Company has signed credit lines totaling US\$1,388,830, of which US\$960,930 were related to financial debt (US\$228,435 were undrawn) and US\$427,900 were related to letters of credit (US\$178,800 were undrawn).

The Company signed in April 2022 three pre-delivery payments financing with lessors for the acquisition of aircraft. For this purpose, a Mexican trust was created for each contract (CIBanco, S.A. Institución de Banca Múltiple), for JSA International U.S. Holdings, LLC Trust 3866, for GY Aviation Lease 1714 Co. Limited Trust 3855, and Incline II B Shannon 18 Limited Trust 3867. These facilities do not include financial covenants or restrictions.

The Company signed in July 2022 a pre-delivery payment financing with lessors for the acquisition of aircraft with Oriental Leasing 6 Company Limited. For this purpose, a Mexican trust was created with CIBanco, S.A. Institución de Banca Múltiple, Trust 3921. This facility does not include financial covenants or restrictions.

On June 20, 2019, the Company, through its subsidiary Concesionaria, issued 15,000,000 asset-backed trust notes (“CEBUR”) under the ticket VOLARCB 19 for Ps.1.5 billion Mexican pesos (US\$74 million, based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024) through the Fideicomiso Irrevocable de Administración número CIB/3249 created by Concesionaria. The issuance amount is part of a program approved by the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores) for an amount of up to Ps.3.0 billion Mexican pesos (US\$148 million based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024).

The notes had a five-year maturity annual reduction of Ps.250,000, Ps.500,000, Ps.500,000 and Ps.250,000 (US\$12.3 million, US\$24.7 million, US\$24.7 million and US\$12.3 million, based on an exchange rate of Ps.20.27 to US\$1 as of December 31, 2024) in 2021, 2022, 2023 and 2024, respectively, with a floating one-month coupon rate referenced to TIIE 28 plus 175 basis point spread. The notes started amortizing at the end of the second year.

The asset-backed trust notes under the ticker VOLARCB19 were fully amortized on June 20, 2024.

On October 13, 2021, the Company, through its subsidiary Concesionaria issued in the Mexico market a second issuance of 15,000,000 asset-backed trust notes (“CEBUR”) under the ticket VOLARCB21L for Ps.1.5 billion Mexican pesos (US\$74 million, based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024) through the Fideicomiso Irrevocable de Administración número CIB/3249 created by Concesionaria. The issuance amount is part of a program approved by the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores) for an amount of up to Ps.3.0 billion Mexican pesos (US\$148 million, based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024). With this second issuance, the total amount approved for the program had been reached.

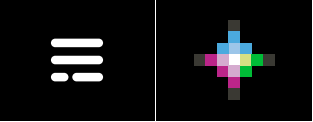
The Trust Notes comply with the Sustainability-Linked Bond Principles 2020, administered by the International Capital Market Association (ICMA). The Sustainability Objectives (SPT) for the KPI are to reduce carbon dioxide emissions measured as grams of CO2 emissions per revenue passenger/kilometer (gCO2 / RPK) by 21.54%, 24.08% and 25.53% by 2022, 2023 and 2024, respectively, compared to 2015. This offering will help the Company accomplish its long-term sustainable goals, among which is to reduce CO2 emissions by 35.42% in 2030.

A feature of the asset-backed trust notes is that they will pay an additional 25 basis points to the interest rate if the sustainability goals are not met. On September 20, 2023, the interest rate increased by 25 basis points, with the possibility of mitigating the additional rate if the targets are met for the next years.

The notes have a five-year maturity annual reductions of Ps.83,333, Ps.500,000, Ps.500,000 and Ps.416,667 (US\$4.1 million, US\$24.7 million, US\$24.7 million and US\$20.6 million, based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024) in 2023, 2024, 2025 and 2026, respectively, with a floating one month coupon rate referenced to TIIE 28 plus 200 basis points, and adjustment of 25 basis points starting on September 20, 2023. The notes started amortizing at the end of the second year.

On September 28, 2023, the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores) approved an increase amount of the actual program of up to Ps.5.0 billion Mexican pesos (US\$246.7 million, based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024). With this authorization, the Company, through its subsidiary Concesionaria, issued in the Mexico market a third issuance of 15,000,000 asset-backed trust notes (“CEBUR”) under the ticket VOLARCB23 for Ps.1.5 billion (US\$74 million, based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024) through the Fideicomiso Irrevocable de Administración número CIB/3249 created by Concesionaria.

The notes have a five-year maturity annual reduction of Ps.187,500, Ps.750,000 and Ps.562,500 (US\$9.3 million, US\$37 million and US\$27.8 million, based on an exchange rate of Ps.20.27 to US\$1 on December 31, 2024) in 2026, 2027 and 2028, respectively, with a floating one-month coupon rate referenced to TIIE 28 plus 215 basis points spread. The notes start amortizing at the end of the third year.



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The asset-backed trust notes structure operates on specific rules and provides a DSCR “Debt Service Coverage Ratio,” which is computed by comparing the Mexican Peso collections over the previous six months to the next six months of debt service. In general, retention of funds does not exist if the ratio exceeds 2.5 times. Amortization on the asset-backed trust notes began in July of 2021 for the first issuance, for the second issuance began in November of 2023 and for the third issuance will begin in October 2026. In addition, early amortization applies if:

- i) The Debt Coverage Ratio is less than 1.75x on any of the determination dates;
- ii) An event of retention is not covered in a period of 90 consecutive days;
- iii) The debt service reserve account of any series maintains on deposit an amount less than the required balance of the debt service reserve account for a period that includes two or more consecutive payment methods;
- iv) Insolvency event of Concesionaria;
- v) The update of a new insolvency event in relation to the Concesionaria; and
- vi) Updating a new event of default.

In the event of default, the Trustee will refrain from delivering any amount that it would otherwise be required to deliver to Concesionaria and will dedicate such cash flow to amortize the principal of the trust notes (“CEBUR”).

As of December 31, 2024, the Company was in compliance with the conditions of the asset-backed trusted notes.

In December 2021, the Company renewed its working capital facility with Banco Sabadell S.A., Institución de Banca Múltiple (“Sabadell”) in Mexican pesos. The facility matured in December 2023.

The “Sabadell” working capital facility had the following covenant:

- i) Joint obligor (Concesionaria) must represent 85% of EBITDA of the holding.

The Company settled this short-term loan on January 5, 2023, as such any potential effects of the non-compliance were solved with the payment. The non-compliance did not trigger any cross-default provisions in other debt instruments or any lease agreement of the Company. The facility expired in December 2023.

In December 2022, the Company signed a working capital facility with Banco Actinver S.A., Institución de Banca Múltiple (“Actinver”) in Mexican pesos, bearing annual interest rate at TIIE 28 days plus 250 basis points margins. The facility matured in December 2024.

The “Actinver” working capital facility did not include obligations or restrictions.

Other financing agreements

The Company entered into several agreements that qualified as failed sale and leaseback transactions. Consequently, these agreements were accounted for as financing transactions. The details of these agreements are presented as follows:

- 1) In September 2023, the Company entered into financing agreements with Tarquin Limited for the acquisition of engines. The agreements bear an annual interest rate of 6.20% and mature in 2028.
- 2) In September 2023, the Company also entered into additional financing agreements with NBB V11218 Lease Partnership and NBB-V11951 Lease Partnership, for the acquisition of engines. These agreements bear an annual interest of 6.20% and mature in 2028.
- 3) In September and October 2023, the Company entered into financing agreements with Wilmington Trust SP Services (Dublin) Limited (not in its individual capacity but solely as Owner Trustee) for the acquisition of engines. These agreements bear an annual interest rate of 7.16% and mature in 2028.
- 4) In November 2023, the Company entered into financing agreements with NBB Pintail Co Ltd for the acquisition of engines. These agreements bear an annual interest rate of 6.99% and mature in 2028.
- 5) In August, September, November and December 2024, the Company entered into financing agreements with Bank of Utah Corporate Trust, for the acquisition of engines. These agreements bear an annual interest rate of 6.20% and mature in 2029.
- 6) In October and November 2024, the Company entered into financing agreements with BOC Aviation (Ireland) Limited for the acquisition of engines. These agreements bear an annual interest rate of 6.86% and mature in 2029.
- 7) In November 2024, the Company entered into new financing agreements with RRP Engine Leasing Limited for the acquisition of engines. These agreements bear an annual interest rate of 6.80% and mature in 2032.

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

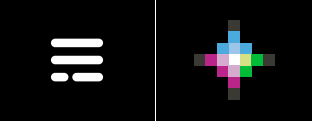
Changes in liabilities arising from financing activities

For the years ended December 31, 2024 and 2023, the changes in liabilities from financing activities from the Company are summarized in the following table:

	January 1, 2024	Net cash Flows	Accrued Interest ⁽¹⁾	Non-current vs Current reclassification	Other	Conversion effects	December 31, 2024
Current interest-bearing loans and borrowings	US\$ 220,289	US\$ (84,514)	US\$ 6,496	US\$ 146,655	US\$ (217)	US\$ (5,093)	US\$ 283,616
Non-current interest-bearing loans and borrowings	432,776	261,667	-	(146,655)	(484)	(20,942)	526,362
Total liabilities from financing activities	US\$ 653,065	US\$ 177,153	US\$ 6,496	US\$ -	US\$ (701)	US\$ (26,035)	US\$ 809,978

	January 1, 2023		Net cash Flows		Accrued Interest ⁽¹⁾		Foreign exchange movement		Non-current vs Current reclassification		Other		Conversion effects		December 31, 2023	
Current interest-bearing loans and borrowings	US\$	112,148	US\$	(22,356)	US\$	5,118	US\$	(739)	US\$	121,804	US\$	(479)	US\$	4,793	US\$	220,289
Non-current interest-bearing loans and borrowings		160,887		381,255		-		-		(121,804)		(1,454)		13,892		432,776
Total liabilities from financing activities	US\$	273,035	US\$	358,899	US\$	5,118	US\$	(739)	US\$	-	US\$	(1,933)	US\$	18,685	US\$	653,065

(1) This balance is net of interest provisions and interest effectively paid as of December 31, 2024 and 2023, respectively.



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

6. Cash and cash equivalents

As of December 31, 2024 and 2023, this caption is comprised as follow:

	2024		2023	
Cash in banks	US\$	281,358	US\$	117,764
Cash on hand		657		850
Short-term investments (Highly liquid investments/cash equivalent)		617,432		642,604
Funds held in trust related to debt service reserves		8,534		12,936
Total cash and cash equivalents	US\$	907,981	US\$	774,154

As of December 31, 2024 and 2023, the Company recorded a portion of advance ticket sales by an amount of US\$8,534 and US\$12,936, respectively, as a fund (Note 1d). The funds held in Trusts are used to constitute the debt service reserves.

7. Related parties

a) An analysis of balances due from/to related parties at December 31, 2024 and 2023 is provided below.

All companies are considered affiliates, since the Company’s primary shareholders or directors are also direct or indirect shareholders or directors of the related parties:

	Type of transaction	Country of origin	2024		2023		Terms
Due from:							
Frontier Airlines Inc. (“Frontier”)	Code-share	USA	US\$	2,161	US\$	-	30 days
Due to:							
MRO Commercial, S.A. (“MRO”)	Aircraft maintenance and technical support	El Salvador	US\$	979	US\$	8	30 days
Frontier Airlines Inc. (“Frontier”)	Code-share	USA		662		1,918	30 days
A&P International Services, S.A.P.I de C.V. (“AISG”)	Aircraft maintenance	Mexico		299		313	30 days
Mijares, Angoitia, Cortés y Fuentes, S.C.	Professional fees	Mexico		146		105	30 days
Chevez, Ruiz, Zamarripa y Cía., S.C.	Professional fees	Mexico		117		620	30 days
Volantio, Inc.	Customer support services	USA		80		-	30 days
Jetsmart Airlines S.A. (“Jetsmart Argentina”)	Leases	Argentina		80		-	30 days
Grupo Aeroportuario del Centro Norte, S.A.B. de C.V. (“OMA”)	Airport Services	Mexico		-		12,881	30 days
			US\$	2,363	US\$	15,845	

Notes to Consolidated Financial Statements

b) During the years ended December 31, 2024, 2023 and 2022, the Company had the following transactions with related parties:

Related party transactions	Country of origin	2024		2023		2022	
Revenues:							
Transactions with affiliates							
Frontier Airlines Inc ("Frontier")							
Code-share	USA	US\$	5,478	US\$	-	US\$	5
Jetsmart Airlines SpA ("Jetsmart Chile")							
Professional fees	Chile		240		-		-
Jetsmart Airlines S.A. ("Jetsmart Argentina")							
Leases	Argentina		80		-		-
Expenses:							
Transactions with affiliates							
MRO Commercial, S.A.							
Aircraft maintenance ⁽¹⁾	El Salvador	US\$	21,354	US\$	15,674	US\$	11,097
Technical support	El Salvador		24		17		-
A&P International Services, S.A.P.I de C.V. ("AISG")							
Aircraft maintenance	Mexico		2,986		2,895		914
Volantio Inc.							
Customer support services	USA		420		-		-
Mijares, Angoitia, Cortés y Fuentes, S.C.							

Related party transactions	Country of origin	2024	2023	2022
Professional fees	Mexico	196	225	196
Chevez, Ruiz, Zamarripa y Cía, S.C.				
Professional fees	Mexico	192	1,175	923
Grupo Aeroportuario del Centro Norte, S.A.B. de C.V. ("OMA")				
Airport services	Mexico	-	12,263	9,792
Servprot, S.A. de C.V.				
Security services	Mexico	-	115	207
Aeromantenimiento, S.A.				
Aircraft maintenance	El Salvador	-	-	3,690
Technical support	El Salvador	-	-	170

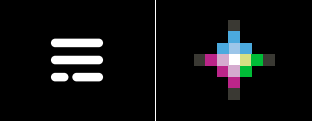
(1) Includes amounts as part of major maintenance.

c) Frontier Airlines Inc. ("Frontier")

Frontier is considered a related party because Brian H. Franke and Andrew Broderick serve as members of both the Company's board of directors and Frontier's board of directors. They are also managing directors of Indigo Partners, which has investments in both Companies.

As of December 31, 2024, the account receivable was US\$2,161. As of December 31, 2023, the Company did not have outstanding balance due to Frontier. As of December 31, 2024 and 2023, the account payable was US\$662 and US\$1,918, respectively.

During the year ended December 31, 2024, the Company recognized revenue under this agreement of US\$5,478. During the year ended December 31, 2023, the Company did not have revenue transactions. During the year ended December 31, 2022, the Company recognized revenue under this agreement of US\$5.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

d) Servprot S.A. de C.V. ("Servprot")

Servprot was a related party until June 13, 2023, because Enrique Beltranena Mejicano, the Company’s Chief Executive Officer and director, was shareholder of such Company. Servprot provides security services for Mr. Beltranena and his family.

During the years ended December 31, 2023 and 2022, the Company expensed US\$115 and US\$207, respectively.

e) Aeromantenimiento, S.A. ("Aeroman")

Aeroman is a related party because Marco Baldocchi, a member of the Company’s board of directors, was a member of Aeroman’s board of directors until November 2024. Additionally, Mr. Joaquin Alberto Palomo, a member of the Company’s board of directors, is a director of Aeroman’s board of directors. On January 1, 2017, the Company entered into an aircraft repair and maintenance service agreement with Aeroman. On January 1, 2022, the Company entered into an amendment with Aeroman and MRO Commercial, S.A. ("MRO"), an affiliate of Aeroman, to extend the agreement until January 1, 2027 and on January 1, 2024, we entered into a new agreement to extend the term of the agreement until December 31, 2028. This agreement provides for the exclusive use of Aeroman’s services for the repair and maintenance of aircraft, subject to availability. Under this agreement, Aeroman provides inspection, maintenance, repair and overhaul services for aircraft. The Company makes payments under this agreement depending on the services performed.

As of December 31, 2024 and 2023, the Company did not have outstanding balance due to Aeroman.

During the year ended December 31, 2024 and 2023, the Company did not have expense transactions.

The Company incurred expenses in aircraft maintenance and technical support with Aeroman, which amounted to US\$3,860 for the year ended December 31, 2022.

As of December 31, 2024 and 2023, the balance due under the agreement with MRO was US\$979 and US\$8, respectively.

During the years ended December 31, 2024, 2023 and 2022, the Company incurred expenses in aircraft maintenance and technical support with MRO amounted to US\$21,378, US\$15,691 and US\$11,097, respectively.

f) Mijares, Angoitia, Cortés y Fuentes, S.C. ("MACF")

MACF is a related party because Ricardo Maldonado Yañez and Eugenio Macouzet de León, member and alternate member, respectively, of the board of the Company since April 2018, are partners of MACF, which provides legal services to us.

As of December 31, 2024 and 2023, the balance due under the agreement with MACF was US\$146 and US\$105, respectively.

During the years ended December 31, 2024, 2023 and 2022, the Company recognized expenses in legal services under this agreement that amounted to US\$196, US\$225 and US\$196, respectively.

g) Grupo Aeroportuario del Centro Norte, S.A.B. de C.V. ("OMA")

OMA was considered a related party because Mr. Ricardo Maldonado Yañez was an independent member of OMA’s board of directors, is an independent member of our board of directors and the chairman of our Corporate Practices Committee. Additionally, Mrs. Guadalupe Phillips Margain, one of our independent members, was a member of OMA’s board of directors until November 2022.

As of the issuance date of this report, OMA is no longer a related party.

As of December 31, 2023, the account payable with OMA was US\$12,881. During the years ended December 31, 2023 and 2022, the Company recognized expenses with OMA of US\$12,263 and US\$9,792, respectively.

h) Chevez, Ruiz, Zamarripa y Cía, S.C. ("Chevez")

Chevez is a related party because Mr. José Luis Fernández Fernández is an independent member of the board of directors, as well as the chairman of the Audit Committee of the Company and non-managing limited partner of Chevez. Chevez provides tax advisory services to us.

As of December 31, 2024 and 2023, the account payable with Chevez was US\$117 and US\$620, respectively.

During the years ended December 31, 2024, 2023 and 2022, the Company recognized expenses with Chevez of US\$192, US\$1,175 and US\$923, respectively.

i) A&P International Services, S.A.P.I. de C.V. ("AISG")

From July 4, 2022, AISG has been considered a related party because Harry F. Krensky, a member of our Board of Directors, is the Chairman of the Board of Directors of AISG. Additionally, Harry F. Krensky is managing partner of Discovery Americas, a private equity firm that indirectly holds/manages an investment position in AISG.

As of December 31, 2024 and 2023, the account payable with AISG was US\$299 and US\$313, respectively.

During the years ended December 31, 2024, 2023 and 2022, the Company recognized expenses in aircraft and engine maintenance amounted to US\$2,986, US\$2,895 and US\$914, respectively.

Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

j) Jetsmart Airlines SpA (“Jetsmart Chile”)

Jetsmart Chile is considered a related party because Brian H. Franke and Andrew Broderick serve on the Board of Directors of both the Company and Jetsmart Chile. On March 15, 2024, the Company entered into an agreement to provide pilot professional technical cooperation services with Jetsmart Chile.

As of December 31, 2024, the Company did not have outstanding balance due to Jetsmart Chile.

During the year ended December 31, 2024, the Company recorded revenues in pilot professional technical cooperation services of US\$240.

k) Jetsmart Airlines S.A. (“Jetsmart Argentina”)

Jetsmart Argentina is considered a related party because Brian H. Franke serves on the Board of Directors of both the Company and Jetsmart Argentina. On December 11, 2024, the Company entered into an agreement to lease aircraft engines with Jetsmart Argentina.

As of December 31, 2024, the account payable with Jetsmart Argentina was US\$80.

During the year ended December 31, 2024, the Company recorded revenues in lease aircraft engines of US\$80.

l) CleanJoule, Inc. (“CleanJoule”)

CleanJoule is considered related party because Mr. Brian H. Franke, the chairman of our board of directors, is an officer of Franke Family Joule, LLC. Since May 23, 2023, he has been a shareholder of Clean Joule and has the right to appoint a member of its board of directors. Additionally, on May 23, 2023, Mr. Andrew Broderick, a member of our board of directors, was appointed by Franke Family Joule, LLC, as a member of the board of directors of CleanJoule. CleanJoule is a company that produces high-performance and cost effective Sustainable Aviation Fuel from agricultural waste and organic residues. The Company directly purchased common stock of CleanJoule, recognizing 320,000 common stock shares amounting to US\$4,000.

m) Volantio, Inc. (“Volantio”)

Volantio is considered a related party because Mr. William Dean Donovan, an independent member of our Board of Directors, also serves in Volantio’s Board of Directors as of August 13, 2024. Volantio provides customer support services to the Company.

As of December 31, 2024, the Company’s account payable with Volantio was US\$80.

During the year ended December 31, 2024, Volantio recognized expenses of US\$420.

n) Directors and officers

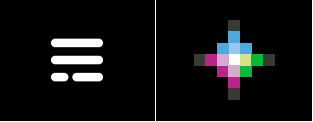
During the years ended December 31, 2024 and 2023, the chairman and the independent members of the Company’s board of directors received a net compensation of US\$414 and US\$696, respectively, and the rest of the directors received a net compensation of US\$116 and US\$242, respectively.

During the years ended December 31, 2024 and 2023, the amount paid to the chairman and independent members in-kind through the Company’s shares totaled US\$788 and US\$305, respectively.

During the years ended December 31, 2024, 2023 and 2022, all the Company’s senior managers received an aggregate compensation for short-term benefits of US\$15,157, US\$13,845 and US\$11,679, respectively, as well as long-term benefits of US\$6,508, US\$5,689 and US\$5,951, respectively. These amounts were recognized in salaries and benefits in the consolidated statements of operations.

During the years ended December 31, 2024, 2023 and 2022, the cost of share-based payments MIP transactions was US\$6,309, US\$6,048 and US\$5,074, respectively. The benefit of the cash-settled payments MIP II was US\$1,131, US\$119 and US\$4,365, respectively. (Note 18).

The Company has a short-term benefit plan to certain personnel whereby cash bonuses are awarded for meeting certain Company’s performance targets. As of December 31, 2024 and 2023, the Company recorded a provision in the amount of US\$10,839 and US\$6,541, respectively. In relation with this cash bonus, during the years ended December 31, 2024, 2023 and 2022, the Company recorded an expense for an amount of US\$12,250, US\$6,357 and US\$6,893, respectively, under the caption salaries and benefits.



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

8. Other accounts receivable, net

An analysis of other accounts receivable as of December 31, 2024 and 2023 is detailed below:

	2024		2023	
Current:				
Credit cards	US\$	34,756	US\$	59,675
Benefits from suppliers		22,640		11,174
Affinity credit card		5,460		4,230
Cargo clients		4,453		4,633
Other accounts receivable		3,979		4,652
Insurance in recovery process		2,349		-
Other points of sales		946		1,014
Airport services		800		473
Travel agencies and insurance commissions		599		3,493
Employees		562		777
Marketing services		119		-
		76,663		90,121
Allowance for expected credit losses		(628)		(877)
	US\$	76,035	US\$	89,244

Accounts receivable has the following aging:

Days	2024 Impaired		2024 Not impaired		Total 2024	2023 Impaired		2023 Not impaired		Total 2023
0–30	US\$	459	US\$	57,657	US\$ 58,116	US\$	677	US\$	73,923	US\$ 74,600
31–60		-		6,030	6,030		-		10,628	10,628
61–90		-		5,861	5,861		-		435	435
91-120		169		6,487	6,656		200		4,258	4,458
	US\$	628	US\$	76,035	US\$ 76,663	US\$	877	US\$	89,244	US\$ 90,121

The movement in the allowance for expected credit losses from December 31, 2022 to December 31, 2024 is as follows:

Balance as of December 31, 2022	US\$	(809)
Write-offs		1,262
Increase in allowance		(1,330)
Balance as of December 31, 2023		(877)
Write-offs		1,067
Increase in allowance		(818)
Balance as of December 31, 2024	US\$	(628)

The allowance for expected credit losses on accounts receivable is established in accordance with the approach disclosed at Note 1f) ii).

Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

9. Inventories

An analysis of inventories as of December 31, 2024 and 2023 is as follows:

	2024		2023	
Spare parts and accessories of flight equipment	US\$	16,633	US\$	16,117
	US\$	16,633	US\$	16,117

The inventory items are consumed during or used mainly in delivery of in-flight services and for maintenance services by the Company and are valued at the lower of cost or replacement value. The Company recognizes the necessary estimates for decreases in the value of its inventories due to impairment, obsolescence, slow movement and causes that indicate that the use or realization of the aircraft spare parts and flight equipment accessories that are part of the inventory will be less than recorded value.

For the years ended December 31, 2024, 2023 and 2022, the Company did not record any impairment loss in the value of its inventories.

During the years ended as of December 31, 2024, 2023 and 2022, the amount of consumption of inventories recorded as an operating expense as part of maintenance expense was US\$24,009, US\$20,928 and US\$17,825, respectively.

10. Prepaid expenses and other current assets

An analysis of prepaid expenses and other current assets at December 31, 2024 and 2023 is as follows:

	2024		2023	
Advances to suppliers	US\$	11,615	US\$	9,347
Prepaid insurance		9,604		9,175
Other prepaid expenses		9,109		13,057
Sales commission to travel agencies (Note 1c)		9,108		7,729
Flight credits		5,812		4,368
	US\$	45,248	US\$	43,676

11. Guarantee deposits

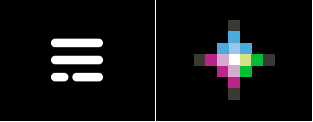
An analysis of this caption as of December 31, 2024 and 2023 is as follows:

	2024		2023	
Current asset:				
Credit letters deposits	US\$	216,534	US\$	138,207
Aircraft maintenance deposits paid to lessors (Note 1j)		7,493		7,056
Other guarantee deposits		2,020		1,428
Deposits for rental of flight equipment		1,164		1,145
		227,211		147,836
Non-current asset:				
Aircraft maintenance deposits paid to lessors (Note 1j)		375,263		409,997
Deposits for rental of flight equipment		46,232		48,125
Other guarantee deposits		4,698		3,874
		426,193		461,996
	US\$	653,404	US\$	609,832

Notes to Consolidated Financial Statements

12. Rotable spare parts, furniture and equipment, net

	Gross value				Accumulated depreciation		Net carrying value					
	At December 31, 2024		At December 31, 2023		At December 31, 2024		At December 31, 2023					
Leasehold improvements to flight equipment	US\$	728,201	US\$	579,349	US\$	(482,233)	US\$	(331,124)	US\$	245,968	US\$	248,225
Pre-delivery payments ⁽¹⁾		484,590		389,380		-		-		484,590		389,380
Flight equipment		408,830		202,355		(89,750)		(67,316)		319,080		135,039
Construction and improvements in process		14,242		27,135		-		-		14,242		27,135
Constructions and improvements		9,154		8,802		(7,839)		(7,310)		1,315		1,492
Office furniture and equipment		3,621		3,487		(2,428)		(2,156)		1,193		1,331
Workshop machinery and equipment		2,671		1,658		(822)		(622)		1,849		1,036
Motorized transport equipment platform		1,600		614		(681)		(475)		919		139
Computer equipment		1,186		1,193		(1,130)		(1,108)		56		85
Communications equipment		798		698		(489)		(443)		309		255
Electric power equipment		781		530		(409)		(345)		372		185
Workshop tools		660		660		(559)		(478)		101		182
Service carts on board		542		542		(466)		(416)		76		126
Total	US\$	1,656,876	US\$	1,216,403	US\$	(586,806)	US\$	(411,793)	US\$	1,070,070	US\$	804,610



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

- a) During 2024 and 2023, the Company acquired 16 engines (11 NEO and five V2500) and nine engines (five NEO and four V2500), respectively, (under the terms of the Pratt & Whitney purchase agreement FMP). These acquisitions were accounted for at cost, totaling US\$163,463 and US\$85,182, respectively. The Company identified the major components separately at their respective cost. These components are classified as flight equipment and depreciated over their useful life.
- b) During the years ended December 31, 2024 and 2023, the Company capitalized borrowing costs, which amounted to US\$35,107 and US\$21,901, respectively (Note 23). The Company capitalizes the actual borrowing costs of the borrowings directly attributable to the constructions of aircraft. For the years ended December 31, 2024 and 2023, the weighted rate of the direct borrowings used to determine the amount of borrowing costs was 7.59% and 8.85%, respectively.
- c) Depreciation expense for the years ended December 31, 2024, 2023 and 2022 was US\$175,266, US\$127,401 and US\$90,790, respectively. Depreciation expenses for the year are recognized as a component of operating expenses in the consolidated statements of operations.
- d) In October 2005 and December 2006, the Company entered into purchase agreements with Airbus and International Aero Engines AG (“IAE”) for the purchase of aircraft and engines, respectively. Under such agreements and prior to the delivery of each aircraft and engine, the Company agreed to make pre-delivery payments, which were calculated based on the reference price of each aircraft and engine, and following a formula established for such purpose in the agreements.

In 2011, the Company amended the agreement with Airbus for the purchase of 44 A320 family aircraft to be delivered from 2015 to 2020. The order included 14 A320CEO (“Current Engine Option Aircraft”) and 30 A320NEO. Additionally, during December 2017, the Company amended the agreement with Airbus for the purchase of 80 A320 family aircraft to be delivered from 2022 to 2026. The order includes 46 A320NEO and 34 A321NEO. Under such agreement and prior to the delivery of each aircraft, the Company agreed to make pre-delivery payments, which shall be calculated based on the reference price of each aircraft, and following a formula established for such purpose in the agreement.

In November 2018, the Company amended the agreement with Airbus to reschedule the remaining 26 fleet deliveries between 2019 and 2022. Also, in this amendment, the Company used its rights on the Airbus Purchase Agreement to convert six A320NEO into A321NEO. In July 2020, the Company amended the agreement with Airbus to reschedule the 80 aircraft deliveries between 2023 and 2028. In October 2020, the Company amended the agreement with Airbus to reschedule the remaining 18 fleet deliveries between 2020 and 2022.

In 2021, the Company amended the agreement with Airbus for the purchase of 39 A320 family aircraft to be delivered from 2023 to 2029. The order includes only A321NEO aircraft. Under such agreement and prior to the delivery of each aircraft, the Company agreed to make pre-delivery payments, which shall be calculated based on the reference price of each aircraft, and following a formula established for such purpose in the agreement. Also, in this agreement, the Company used its rights on the Airbus Purchase Agreement to convert 20 A320NEO into A321NEO.

In 2022, the Company amended the agreement with Airbus for the purchase of 25 A320 family aircraft to be delivered in 2030. The order includes only A321NEO aircraft. Under such agreement and prior to the delivery of each aircraft, the Company agreed to make pre-delivery payments, which shall be calculated based on the reference price of each aircraft, and following a formula established for such purpose in the agreement.

On August 16, 2013, the Company entered into certain agreements with IAE and International Aero Engines, LLC (“IAE LLC”) (“P&W”), which included the purchase of the engines for 14 A320CEO and 30 A320NEO, respectively, delivered between 2014 and 2022. This agreement also included the purchase of one spare engine for the A320CEO fleet (which was received during the fourth quarter of 2016) and six spare engines for the A320NEO fleet received from 2017 to 2022. In November 2015, the Company amended the agreement with the engine supplier to provide major maintenance services for the engines of 16 aircraft (10 A320NEO and six A321NEO). This agreement also includes the purchase of three spare engines, two of them for the A320NEO fleet and one for the A321NEO fleet. In April 2021, the Company amended the agreement with the engine supplier to provide major maintenance services for the engines of two aircraft A320NEO.

On May 12, 2020, the Company entered into certain agreements with IAE LLC, which included the purchase of the engines for 46 A320NEO and 34 A321NEO, respectively, to be delivered between 2022 and 2028. This agreement also included the purchase of 11 firm spare engines for the A320NEO fleet to be received from 2022 to 2029.

In October 2021, the Company amended the agreement with the engine supplier to provide major maintenance services for the engines of 13 aircraft (all A320NEO). This agreement also includes the purchase of one spare engine for the A320NEO fleet. The Company has further amended and restated the agreement with IAE LLC to provide major maintenance services for the engines of 79 aircraft (five A320NEO and 74 A321NEO), as well as the purchase of 21 spare engines for the A320NEO fleet to be delivered from 2024 to 2030.

The Company received credit notes from P&W in December 2017 of US\$3.1 million, which are being amortized on a straight-line basis, prospectively during the term of the agreement. As of December 31, 2024, 2023 and 2022, the Company amortized a corresponding benefit from these credit notes of US\$216, US\$216 and US\$225, respectively, which is recognized as an offset to maintenance expenses in the consolidated statements of operations.

During the years ended December 31, 2024 and 2023, the amounts paid for aircraft pre-delivery payments were of US\$235.3 million and US\$230.4 million, respectively.

The current purchase agreement with Airbus requires the Company to accept delivery of 131 Airbus A320 family aircraft during a period of seven years (from January 2025 to December 2031). On November 26, 2024, an agreement was signed with Airbus to reschedule the delivery date for all 131 Aircraft. This agreement provides the addition of 131 aircraft to its fleet as follows: 14 in 2025, 11 in 2026, 7 in 2027, 19 in 2028, 22 in 2029, 30 in 2030 and 28 to be delivered during 2031. Commitments to acquisitions of property and equipment are disclosed in Note 25.

Notes to Consolidated Financial Statements

Software amortization expense for the years ended December 31, 2024, 2023 and 2022 was US\$7,849, US\$6,895 and US\$6,696, respectively. These amounts were recognized in depreciation and amortization caption on the consolidated statements of operations.

14. Leases

As of December 31, 2024 and 2023, the most significant leases are as follows:

Aircraft and engines represent the Company's most significant lease agreements. On December 31, 2024, the Company leases 141 aircraft (129 as of December 31, 2023) and 18 spare engines (20 as of December 31, 2023) that have maximum terms through 2036. The leases are generally guaranteed by either deposit in cash or letters of credit.

For the years ended December 31, 2024, 2023 and 2022, the Company did not record any impairment loss.

13. Intangible assets, net

The composition and movement of intangible assets is as follows:

Aircraft Type	Model	At December31, 2024	At December 31, 2023
A319	132	1	3
A320	233	40	39
A320	232	4	1
A320NEO	271N	53	51
A321	231	10	10
A321NEO	271N	33	25
		141	129
Engine spare Type	Model	At December31, 2024	At December 31, 2023
V2500	V2527M-A5	2	3
V2500	V2527E-A5	2	5
V2500	V2527-A5	4	6
PW1100	PW1127G-JM	9	5
PW1100	PW1133G-JM	1	1
		18	20

1) Certain of the Company's aircraft and engine lease agreements include an option to extend the lease term period. Management evaluates extensions based on the market conditions at the time of renewal.

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

During the year ended December 31, 2023, P&W announced preventive accelerated inspections for the GTF engines. Consequently, the Company's GTF engines are being reviewed to ensure compliance with these requirements.

As a result of these preventive accelerated inspections and in accordance with the business strategy, the Company extended certain aircraft and engines lease agreements and added new aircraft and engines to its fleet. All accounting effects of these aircraft and engines lease extensions and new incorporations have been assessed and presented into the Company's Financial Statements. Additionally, the compensation received from the manufacturer has been included in the Company's consolidated statement of operations for the years ended December 31, 2024 and 2023.

During the year ended December 31, 2024, the Company added 14 leased aircraft to its fleet (two A320NEO and eight A321NEO were acquired through sale and leaseback transactions under the Company's existing Airbus purchase agreement), as well as four used A320CEO. All the used aircraft were not subject to sale and leaseback transactions.

Additionally, the Company extended the lease term of nine A320CEO aircraft for an additional period of up to six years and one A319CEO aircraft for an additional period of up to 1.5 years.

During the year ended December 31, 2024, the Company also extended the lease term of two spare engines for an additional period of up to three years.

All accounting effects of these aircraft and engine lease extensions and new incorporations have been assessed and presented in the Company's Financial Statements. As of December 31, 2024 and 2023, the Company recorded a net increase of US\$570,185 and US\$478,303, respectively, as part of the right-of-use assets and lease liabilities, resulting from the aircraft and engine lease extensions and new incorporations.

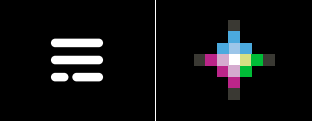
During the year ended December 31, 2023, the Company added 13 leased aircraft to its fleet, including one A320NEO and two A321NEO acquired through a sale and leaseback transaction under the existing Airbus purchase agreement. Additionally, two A320NEO and eight A321NEO were incorporated directly from the lessor's aircraft acquired order book. The aircraft acquired from the lessor's order book were not subject to sale and leaseback transaction.

During 2023, the Company also extended the term of eight A320CEO and one A321CEO for an additional period of up to four years.

Additionally, during the year ended December 31, 2023, the Company extended the term of six spare engines for an additional period of up to 3.5 years.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

	Aircraft leases		Spare engine leases		Land and building leases		Total	
As of December 31, 2022	US\$	2,110,753	US\$	24,181	US\$	45,997	US\$	2,180,931
Additions		401,943		-		2,774		404,717
Extensions		64,994		7,825		767		73,586
Modifications		32,167		9,006		-		41,173
Depreciation on right-of-use assets		(337,694)		(11,524)		(12,797)		(362,015)
As of December 31, 2023		2,272,163		29,488		36,741		2,338,392
Additions		460,120		-		23,387		483,507
Extensions		81,317		5,361		-		86,678
Modifications		(480)		27,175		1,190		27,885
Disposals		(31,130)		(25,782)		-		(56,912)
Foreign currency conversion		-		-		(35)		(35)
Depreciation on right-of-use assets		(384,235)		(12,012)		(13,688)		(409,935)
As of December 31, 2024	US\$	2,397,755	US\$	24,230	US\$	47,595	US\$	2,469,580



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2024		2023	
As of January 1 st ,	US\$	2,891,442	US\$	2,708,723
Additions		470,859		404,650
Modifications		114,551		114,759
Disposals		(59,780)		(4,378)
Accretion of interest		231,661		194,416
Foreign exchange effect		(3,802)		2,346
Payments		(583,395)		(529,074)
As of 31 December,	US\$	3,061,536	US\$	2,891,442
Current	US\$	391,158	US\$	372,697
Non-current	US\$	2,670,378	US\$	2,518,745

The Company had total cash outflows for leases of US\$583,395 in 2024, US\$529,074 in 2023 and US\$449,004 in 2022.

During the years ended December 31, 2024, 2023 and 2022, the Company recognized expenses related to short-term leases and leases of low-value assets for an amount of US\$4,865, US\$7,925 and US\$6,680, respectively.

For the years ended December 31, 2024, 2023 and 2022, the amounts recognized in profit or loss were as follow:

For the years ended December 31,						
	2024		2023		2022	
Depreciation of right-of-use assets	US\$	(409,935)	US\$	(362,015)	US\$	(320,443)
Interest expense on lease liabilities and aircraft and engine lease return obligation (Note 23)		(250,530)		(191,967)		(174,769)
Aircraft and engine variable lease expenses		(135,155)		(103,845)		(124,532)
Short-term leases and leases of low-value assets		(4,865)		(7,925)		(6,680)
Total amount recognized in profit or loss	US\$	(800,485)	US\$	(665,752)	US\$	(626,424)

i) Return obligations

The aircraft lease agreements of the Company also require that the aircraft and engines be returned to lessors under specific conditions of maintenance. The costs of return, which in no case are related to scheduled major maintenance, are estimated and recognized ratably as a provision from the time it becomes likely such costs will be incurred and can be estimated reliably. These return costs are recognized as a component of variable lease expenses and the provision is remeasured and included as part of other liabilities, through the remaining lease term.

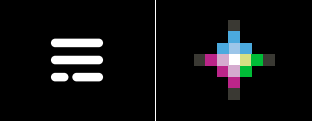
The Company estimates provisions for airframe, engine overhauls and limited-life parts based on assumptions such as projected airframe usage and expected maintenance cost. For the year ended December 31, 2024, 2023 and 2022, the Company recorded expenses related to this provision as supplemental rent, totaling US\$86,282, US\$80,894 and US\$58,658, respectively.

For the years ended December 31, 2024, 2023 and 2022, the Company recorded redelivery expenses of US\$135,155, US\$103,845 and US\$124,532 respectively.

ii) Aircraft and engines lease extensions

Certain lease agreements contain extension options, which the Company evaluates exercising once the lease period comes to its end, based on the market conditions at such moment. The lease liabilities corresponding to leases on which it was decided to extend are remeasured for the period negotiated between the Company and the lessor.

During 2024 and 2023, due to the aircraft and engines lease extension agreements, the Company reassessed the right-of-use assets and lease liabilities, resulting in net increases of US\$86,678 and \$73,586, respectively.



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Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

15. Accrued liabilities

a) The detail of current accrued liabilities as of December 31, 2024 and 2023 is as follows:

	2024		2023	
Fuel and traffic accrued expenses	US\$	81,235	US\$	68,945
Maintenance and aircraft parts accrued expenses		40,131		23,199
Accrued administrative expenses		30,718		15,491
Salaries and benefits		24,295		19,628
Deferred revenue from V Club membership		20,850		3,707
Sales, marketing and distribution accrued expenses		19,019		22,543
Information and communication accrued expenses		3,598		3,224
Maintenance deposits		1,612		3,825
Others		1,173		473
Supplier services agreement		761		1,449
Benefits from suppliers		-		279
	US\$	223,392	US \$	162,763

b) Non-current accrued liabilities as of December 31, 2024 and 2023 is as follows:

	2024		2023	
Supplier services agreement	US\$	7,390	US\$	12,964
Other		459		551
	US\$	7,849	US\$	13,515

16. Other liabilities

	Balance as of January 1, 2024		Increase for the year		Payments		Balance as of December 31, 2024	
Aircraft and engine lease return obligation (Note 1q and 2i)	US\$	287,208	US\$	154,463	US\$	(64,294)	US\$	377,377
Employee profit sharing (Note 17)		1,500		18,623		(1,368)		18,755
	US\$	288,708	US\$	173,086	US\$	(65,662)	US\$	396,132
Current maturities							US\$	62,800
Non-current							US\$	333,332

	Balance as of January 1, 2023		Increase for the year		Payments		Balance as of December 31, 2023	
Aircraft and engine lease return obligation (Note 1q and 2i)	US\$	249,466	US\$	104,831	US\$	(67,089)	US\$	287,208
Employee profit sharing (Note 17)		386		1,481		(367)		1,500
	US\$	249,852	US\$	106,312	US\$	(67,456)	US\$	288,708
Current maturities							US\$	2,303
Non-current							US\$	286,405

During the year ended December 31, 2024 and 2023, cancellations or write-offs related to these liabilities were recorded by an amount of US\$40,890 and US\$19,810, respectively.

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Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

17. Employee benefits

The components of net period cost recognized in the consolidated statements of operations and the obligations for seniority premium for the years ended December 31, 2024, 2023 and 2022 are as follows:

	2024		2023		2022	
Analysis of net period cost:						
Current service cost	US\$	222	US\$	2,187	US\$	6,518
Interest cost on benefit obligation		983		1,109		692
Net period cost	US\$	1,205	US\$	3,296	US\$	7,210

Changes in the defined benefit obligation are as follows:

	2024		2023	
Defined benefit obligation as of January 1,	US\$	14,644	US\$	10,987
Net period cost charged to profit or loss:				
Current service cost		222		2,187
Interest cost on benefit obligation		983		1,109
Remeasurement losses in other comprehensive income:				
Actuarial changes arising from changes in assumptions		130		107
Payments made		(879)		(1,321)
Conversion effect foreign currency		(2,310)		1,575
Defined benefit obligation as of December 31,	US\$	12,790	US\$	14,644

The significant assumptions used in the computation of the seniority premium obligations are shown below:

	2024	2023
Financial:		
Discount rate	10.69%	9.69%
Expected rate of salary increases	5.60%	5.60%
Annual increase in minimum salary	3.75% ^{(1) (2)}	3.75% ^{(1) (2)}

Biometric:

Mortality ⁽³⁾	EMSSA 09, CEPAL 2010 EL SALVADOR - COSTA RICA	EMSSA 09, CEPAL *2010 EL SALVADOR, CEPAL *2010 COSTA RICA
Disability ⁽⁴⁾	IMSS-97	IMSS-97

- (1) 3.75% applies to the General Zone and Border Zone in Mexico.
- (2) Border Zone is made up of the states that border the United States, and the General Zone is made up of the rest of the states of the country.
- (3) Mexican Experience of social security (EMSSA), Economic Commission for Latin America and the Caribbean (CEPAL for its Spanish acronym).
- (4) Mexican Experience of *Instituto Mexicano del Seguro Social* (IMSS).

As of December 31, 2024 and 2023, the accruals related to employee profit-sharing, which is included as part of short-term other liabilities caption, are as follows:

	2024		2023	
Employee profit-sharing (Note 16)	US\$	18,755	US\$	1,500

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Sensitivity analysis

A reasonably possible variation at the date of the report, in one of the most significant actuarial assumptions, and assuming that the rest of the variables had remained constant, would have affected the benefit obligations defined as of December 31, 2024 in the amounts shown below:

		Present value of the defined benefit obligation (In thousands of U.S. dollars)			
Assumptions		Increase		Decrease	
Discount rate:	50 basis points	US\$	12,111	US\$	13,529
Statutory minimum wage increase rate:	50 basis points	US\$	13,038	US\$	12,560
Salary increase rate:	50 basis points	US\$	13,267	US\$	12,349

18. Share-based payments

LTRP

On November 6, 2014, the shareholders of the Company and the shareholders of its subsidiary Servicios Corporativos approved an amendment to the current LTRP for the benefit of certain key executives, based on the recommendations of the Board of Directors of the Company at its meetings held on July 24 and August 29, 2014. For such purposes, on November 10, 2014, an irrevocable Administrative Trust was created by Servicios Corporativos and the key executives. The new plan was restructured and named LTIP, which consists of a share purchase plan (equity-settled transaction) and SARs plan (cash-settled).

On October 18, 2018, the Board of Directors of the Company approved a new long-term retention plan (“LTRP”) for certain executives of the Company, through which the beneficiaries of the plan will receive shares of the Company once the service conditions are met. This plan does not include cash compensations granted through appreciation rights on the Company’s shares. The retention plans granted in previous periods under LTRP will continue in full force and effect until their respective due dates and the cash compensation derived from them will be settled according to the conditions established in each plan.

a) LTIP

- Share purchase plan (equity-settled)

Under the share purchase plan (equity-settled), in November 2014, certain key executives of the Company were granted with a special bonus by an amount of Ps.10,831 (US\$797 as of November 11, 2014 based on an exchange rate of Ps.13.58 to US\$1), to be used to purchase Company’s shares. The plan consisted in:

- (i) Servicios Corporativos, Controladora and Concesionaria granted a bonus to each key executive;
- (ii) The bonus amount by Ps.7,059 (US\$520 as of November 11, 2014 based on an exchange rate of Ps.13.58 to US\$1), net of withheld taxes, was transferred on November 11, 2014, as per the written instructions of each key executive, to the Administrative Trust for the acquisition of Series A shares of the Company through an intermediary authorized by the Mexican Stock Exchange (“BMV”) based on the Administration Trust’s Technical Committee instructions;
- (iii) Subject to specified terms and conditions set forth in the Administrative Trust, the acquired shares were in escrow under the Administrative Trust for its administration until the vesting period date for each key executive, date as of which the key executive can fully dispose of the shares and instruct as desired.
- (iv) The share purchase plan provides that if the terms and conditions are not met by the vesting period date, then the shares would be sold in the BMV, and Servicios Corporativos, Controladora and Concesionaria would be entitled to receive the proceeds of the sale of shares.
- (v) The key executives’ account balance will be tracked by the Administrative Trust. The Administrative Trust’s objectives are to acquire Series A shares on behalf of the key executives and to manage the shares granted to such key executives based on instructions set forth by the Technical Committee.

As the Administrative Trust is controlled and therefore consolidated by Controladora, shares purchased in the market and held within the Administrative Trust are presented for accounting purposes as treasury shares in the consolidated statement of changes in equity.

In November 2024, 2023 and 2022, the extensions to the LTIP were approved by the Company’s shareholders and the Company’s Board of Directors. The total cost of the extensions approved were US\$5,821 (US\$3,784 net of withheld taxes), US\$5,708 (US\$3,711 net of withheld taxes) and US\$5,703 (US\$3,707 net of withheld taxes), respectively. Under the terms of the incentive plan, certain key employees of the Company were granted a special bonus that was transferred to the Administrative Trust for the acquisition of Series A shares of the Company.

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Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

As of December 31, 2024 and 2023, the number of shares into the Administrative Trust associated with the Company’s share purchase payment plans is as follows:

	Number of Series A shares
Outstanding as of December 31, 2022	6,579,214
Purchased during the year	5,847,018
Exercised/vested during the year	(2,932,479)
Forfeited during the year	(330,453)
Outstanding as of December 31, 2023	9,163,300 ⁽¹⁾
Purchased during the year	5,209,713
Exercised/vested during the year	(3,880,683)
Forfeited during the year	-
Outstanding as of December 31, 2024	10,492,330 ⁽¹⁾

(1) These shares are presented as treasury shares in the consolidated statement of financial position as of December 31, 2024 and 2023.

The vesting period of the shares granted under the Company’s share purchase plans is as follows:

Number of Series A shares	Vesting period
5,070,172	November 2025
3,685,587	November 2026
1,736,571	November 2027
10,492,330	

In accordance with IFRS 2, the share purchase plans are classified as equity-settled transactions on the grant date. This valuation is the result of multiplying the total number of Series A shares deposited in the Administrative Trust and the price per share, plus the balance in cash deposited in the Administrative Trust.

For the years ended December 31, 2024, 2023 and 2022, the compensation expense recorded in the consolidated statements of operations amounted to US\$6,309, US\$6,048 and US\$5,074, respectively.

During 2024, there were no forfeited shares. During 2023, some key employees left the Company; therefore, the vesting conditions were not fulfilled. In accordance with the terms of the plan, Servicios Corporativos is entitled to receive the proceeds of the sale of such shares; the number of forfeited shares as of December 31, 2023 was 330,453.

b) MIP

- MIP II

On February 19, 2016, the Board of Directors of the Company authorized an extension to the MIP for certain key executives. Such extension was modified on November 6, 2016. Under MIP II, 13,536,960 share appreciation rights of our Series A shares were granted to be settled annually in cash in a period of five years in accordance with the established service conditions. In addition, a five-year extension to the period in which the employees can exercise MIP II once the SARs are vested was approved.

Fair value of the SARs is measured at each reporting period using a Black-Scholes option pricing model, taking into consideration the terms and conditions granted to the employees. The amount of the cash payment is determined based on the increase in our share price between the grant date and the settlement date.

The carrying amount of the liability relating to the SARs as of December 31, 2024 and 2023 was US\$146 and US\$1,433, respectively. The compensation cost is recognized in the consolidated statements of operations under the caption of salaries and benefits over the service period.

During the years ended December 31, 2024, 2023 and 2022, the Company recorded a benefit of US\$1,131, US\$119 and US\$4,365, respectively, in the consolidated statements of operations. During the years ended 2024, 2023 and 2022, SARs were not exercised.

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The summary related to expense recognized for the Company’s retention plans during the years 2024, 2023 and 2022 is shown in the following table:

	2024		2023		2022	
Benefit arising from cash-settled share-based payments transactions	US\$	(1,131)	US\$	(119)	US\$	(4,365)
Expense arising from equity-settled share-based payments transactions		6,309		6,048		5,074
Total expense arising from share-based payments transactions	US\$	5,178	US\$	5,929	US\$	709

c) Board of Directors Incentive Plan (BoDIP)

Certain members of the Board of Directors of the Company receive additional benefits through a share-based plan, which has been classified as an equity-settled share-based payment and therefore accounted under IFRS 2 “Share-based payment.”

In April 2018, the Board of Directors of the Company authorized a Board of Directors Incentive Plan “BoDIP,” for the benefit of certain board members. The BoDIP grants options to acquire shares of the Company, or CPOs, during a five-year period with an exercise share price at Ps.0, Ps.0 and Ps. 33.80 for the years ended 2024, 2023 and 2022, respectively, which was determined on the grant date. Under this plan, no service or performance conditions are required for the board members to exercise the option to acquire shares, and therefore, they have the right to request the delivery of those shares at the time they pay for them.

For such purposes, on August 29, 2018, the Fideicomiso Irrevocable de Administración número CIB/3081 was created by Controladora Vuela Compañía de Aviación S.A.B de C.V as trustee and CIBanco, S.A., Institución de Banco Multiple as trustor. The number of shares held as of December 31, 2024, 2023 and 2022 available to be exercised is 3,388,251, 4,781,769 and 5,945,417, respectively, and are included in treasury shares.

During 2024, certain conditions were not met; therefore, the executives did not exercise the option to purchase the shares. In accordance with the terms of the plan, Controladora is entitled to receive the proceeds from the sale of these shares. The number of forfeited shares as of December 31, 2024 was 1,393,518.

In April 2023, the Company’s Annual General Shareholders’ Meeting modified the terms of the BoDIP. Effective as of 2023, certain members of the Board of Directors receive additional benefits through a stock based plan, which will be administered by the LTIP Trust and that will be delivered to the beneficiaries once the established conditions are met. The number of shares held by the trustee as of December 31, 2024 and 2023 was 588,205 shares and 370,860 shares, respectively (and they are included as treasury shares). The total cost approved in 2024 and 2023 was US\$651 (US\$460 net of withheld taxes) and US\$640 (US\$452 net of withheld taxes), respectively.

19. Equity

As of December 31, 2024, the total number of the Company’s authorized shares was 1,165,976,677, represented by common registered shares, issued and with no par value, fully subscribed and paid, comprised as follows:

Shares			
	Fixed Class I	Variable Class II	Total shares
Series A shares ⁽¹⁾	24,180	1,165,952,497	1,165,976,677
Series B shares ⁽¹⁾	-	-	-
	24,180	1,165,952,497	1,165,976,677
Treasury shares (Note 18)	-	(16,295,299)	(16,295,299) ⁽¹⁾
	24,180	1,149,657,198	1,149,681,378

(1) During the year ended December 31, 2024, a total of 1,393,518 forfeited shares have been included as part of treasury shares.

As of December 31, 2023, the total number of the Company’s authorized shares was 1,165,976,677, represented by common registered shares, issued and with no par value, fully subscribed and paid, comprised as follows:

Shares			
	Fixed Class I	Variable Class II	Total shares
Series A shares ⁽¹⁾	24,180	1,165,952,497	1,165,976,677
Series B shares ⁽¹⁾	-	-	-
	24,180	1,165,952,497	1,165,976,677
Treasury shares (Note 18)	-	(14,525,694)	(14,525,694) ⁽¹⁾
	24,180	1,151,426,803	1,151,450,983

(1) During the year ended December 31, 2023, a total of 330,453 forfeited shares have been included as part of treasury shares.

On November 22, 2023, the holders of all of the 57,513,873 outstanding Series B shares of the Company concluded the conversion of all Series B Shares into 57,513,873 Series A Shares represented by Ordinary Participation Certificates in the form of the corresponding American Depositary Shares.

Notes to Consolidated Financial Statements

During the years ended December 31, 2024, 2023 and 2022, the Company did not declare any dividends.

For the years ended December 31, 2024, 2023 and 2022, the Company did not allocate any amount to the legal reserve fund. As of December 31, 2024, 2023 and 2022, the Company's legal reserve has not reached 20% of its capital stock.

Shareholders may contribute certain amounts for future increases in capital stock, either in fixed or variable capital. Said contributions will be kept in a special account until the shareholders meeting authorizes an increase in the capital stock of the Company, at which time each shareholder will have a preferential right to subscribe and pay the increase with the contributions previously made. As it is not strictly regulated in Mexican law, the shareholders meeting may agree to return the contributions to the shareholders or even set a term in which the increase in the capital stock must be authorized. As of December 31, 2024 and 2023, the Company had a balance of US\$0.1 and US\$0.1, respectively.

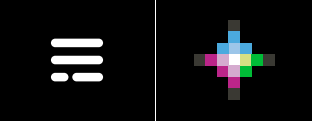
Basic earnings (loss) per share ("EPS" or "LPS") amounts are calculated by dividing the net earnings (loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

The following table shows the calculations of the basic and diluted earnings income per share for the years ended December 31, 2024, 2023 and 2022.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these financial statements.

a) In accordance with the MITL, the Company and its Mexican subsidiaries are subject to income tax and each files its tax returns on an individual entity basis and the related tax results are included in the accompanying consolidated financial statements. The income tax is computed taking into consideration the taxable and deductible effects of inflation, such as depreciation calculated on adjusted assets values. Taxable income is increased or reduced by the effects of inflation on certain monetary assets and liabilities through the annual inflation adjustment.

- (i) Based on the approved law, corporate income tax current rate for 2024, 2023 and 2022 and thereafter is 30%.
- (ii) The tax rules include limits in the deductions of the exempt compensation amounts of certain items, as follows: Wages and benefits paid to workers 47% of income paid to workers and in certain cases up to 53% (holiday bonus, savings fund, employee profit-sharing, seniority premiums) will be deductible for employers. As a result, certain wage and salary provisions have differences between tax and book values at year-end.



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- (iii) The MITL sets forth criteria and limits for applying some deductions, such as the deduction of payments which, in turn, are exempt income for workers, contributions for creating or increasing provisions for pension funds, contributions to the Mexican Institute of Social Security payable by the worker that are paid by the employer, as well as the possible non-deduction of payments made to related parties in the event of failing to meet certain requirements.
- (iv) Taxable income for purposes of the employee profit-sharing is the same used for the Corporate Income Tax except for certain items.
- (v) A 10% withholding tax is imposed on dividends distributions to individuals and foreign shareholders from earnings generated starting January 1, 2014.

The income tax rates for 2024, 2023 and 2022 were in Guatemala 25%, Costa Rica 30% and El Salvador 30%.

- b) For the years ended December 31, 2024, 2023 and 2022, the Company reported on a consolidated basis taxable income of US\$299,332, US\$59,984 and US\$53,293, respectively, which was partially offset by tax losses from prior years.

In accordance with the MITL and Costa Rican Income Tax Law (“CRITL”), tax losses may be carried forward against taxable income generated in the succeeding 10 and three years, respectively. Carryforward tax losses are adjusted based on inflation.

In accordance with Guatemala Income Tax Law (“GITL”) and El Salvador Income Tax Law (“ESITL”), tax losses cannot be carried forward against taxable income generated.

- c) An analysis of consolidated income tax expense for the years ended December 31, 2024, 2023 and 2022 is as follows:

Consolidated statements of operations

	2024		2023		2022	
Current income tax expense	US\$	(104,184)	US\$	(21,939)	US\$	(15,456)
Deferred income tax benefit		47,870		22,316		67,595
Total income tax (expense) benefit	US\$	(56,314)	US\$	377	US\$	52,139

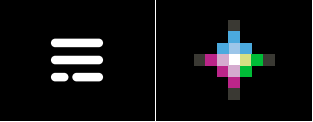
Consolidated statements of comprehensive income

	2024		2023		2022	
Deferred income tax related to items recognized in OCI during the year						
Net gain (loss) cash flow hedges	US\$	118	US\$	362	US\$	(80)
Remeasurement gain (loss) of employee benefits		39		32		(79)
Benefit (expense) deferred income tax recognized in OCI	US\$	157	US\$	394	US\$	(159)

- d) A reconciliation of the statutory corporate income tax rate to the Company’s effective tax rate for financial reporting purposes is as follows:

The Company’s effective income tax reconciliation using domestic tax rate

	2024			2023			2022		
			%			%			%
Statutory income tax rate	US\$	54,806	30.00%	US\$	2,233	30.00%	US\$	(39,709)	30.00%
Amendment tax return effects and other tax adjustments		(17,467)	(9.56%)		7,074	95.05%		1,242	(0.94%)
Inflation on furniture, intangible and equipment		(938)	(0.51%)		(1,370)	(18.41%)		(309)	0.23%
Inflation of tax losses		(463)	(0.25%)		(6,734)	(90.48%)		(4,335)	3.28%
Foreign countries difference with Mexican statutory rate		(18)	(0.01%)		21	0.28%		(9)	0.00%
Annual inflation adjustment		(5,304)	(2.90%)		(3,262)	(43.83%)		(11,200)	8.46%
Effect of unrecognized NOLs		186	0.10%		3,030	40.71%		7	0.00%
Non-deductible expenses		16,728	9.16%		26,132	351.15%		7,695	(5.81%)
Difference in Foreign Exchange losses for tax purposes		8,784	4.80%		(27,501)	(369.53%)		(5,521)	4.17%
	US\$	56,314	30.83%	US\$	(377)	(5.06%)	US\$	(52,139)	39.39%



Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Mexican income tax matters

For Mexican purposes, corporate income tax is computed on an accrued basis. MITL requires taxable profit to be determined by considering revenue net of tax deductions. Prior years’ tax losses can be utilized to offset current year taxable income. Income tax is determined by applying the 30% rate on the net amount after tax losses utilization. For tax purposes, income is considered taxable at the earlier of: (i) the time the revenue is collected, (ii) the service is provided or (iii) the time of the issuance of the invoice. Expenses are deductible for tax purposes generally on an accrual basis, with some exceptions, once the requirements established in the tax law are fulfilled.

Central America (Guatemala, Costa Rica and El Salvador)

According to “GITL,” under the regime on profits from business activities, net operating losses cannot offset taxable income in prior or future years. For the years ended December 31, 2024, 2023 and 2022, our subsidiary in Guatemala generated tax profit (loss) of US\$966, US\$623 and US\$(10), respectively.

According to “CRITL,” under the regime on profits from business activities, tax losses can offset taxable income in a term of three years. For the years ended December 31, 2024, 2023 and 2022, our subsidiary in Costa Rica generated net operating profit (loss) for an amount of US\$558, US\$(9,503) and US\$3,869, respectively. Regarding operating loss, no deferred tax asset has been recognized.

According to “ESITL,” under the regime on profits from business activities, net operating losses cannot offset taxable income in prior or future years. For the years ended December 31, 2024, 2023 and 2022, our subsidiary in El Salvador generated net operating gain for an amount of US\$35,809, US\$3,245 and US\$17,078, respectively.

e) An analysis of consolidated deferred taxes is as follows:

As of December 31,				
	2024		2023	
Deferred income tax assets:				
Lease liability	US\$	871,608	US\$	899,011
Unearned transportation revenue		14,440		13,392
Aircraft and engine lease return obligation		98,933		86,696
Tax losses available for offsetting against future taxable income		234		39,360
Intangible		-		23,190
Allowance for doubtful accounts		431		411
Other financing agreements		92,640		45,919
Employee benefits		4,256		4,220
Employee profit-sharing		8,195		375
Derivative financial instruments		317		121
Provisions		33,993		52,848
		1,125,047		1,165,543
Deferred income tax liabilities:				
Right-of-use asset		659,190		735,092
Supplemental rent		59,844		72,521
Rotable spare parts, furniture and equipment, net		120,585		120,846
Inventories		5,262		4,835
Other prepayments		2,981		2,602
Prepaid expenses and other assets		8,914		9,331
		856,776		945,227
	US\$	268,271	US\$	220,316

Notes to Consolidated Financial Statements

As of December 31, 2024 and 2023, the amount of deferred income tax is as follows:

	2024		2023	
Deferred income tax assets	US\$	286,199	US\$	236,026
Deferred income tax liabilities		(17,928)		(15,710)
Deferred income tax assets, net	US\$	268,271	US\$	220,316

A reconciliation of deferred income tax asset, net is as follows:

	2024		2023	
Opening balance as of January 1	US\$	220,316	US\$	197,548
Deferred income tax benefit during the current year recorded on profits		47,870		22,316
Deferred income tax benefit during the current year recorded in accumulated other comprehensive loss		157		394
Conversion effects		(72)		58
Closing balance as of December 31	US\$	268,271	US\$	220,316

According to IAS 12, "Income Taxes," a deferred income tax asset should be recognized for the carry forward of available tax losses to the extent that it is probable that future taxable income will be available against which the available tax losses can be utilized. In these regards, the Company has recognized as of December 31, 2024 and 2023 a deferred tax asset for tax losses of US\$234 and US\$39,360, respectively.

An analysis of the available tax losses carry-forward of the Company at December 31, 2024 is as follows:

Year of loss	Historical Loss		Adjusted losses		Amortized losses		Amount outstanding to amortize		Year of expiration
2020	US\$	3,345	US\$	1,698	US\$	-	US\$	1,698	2030
2021		670		780		-		780	2031
2022		99,203		107,885		107,885		-	2032
2022		5,515		5,515		-		5,515	2025
2023		9,504		9,504		-		9,504	2026
	US\$	118,237	US\$	125,382	US\$	107,885	US\$	17,497	

During the years ended December 31, 2024 and 2023, the Company utilized US\$107,885 and US\$15,452 of the available tax loss carry-forwards, respectively.

A breakdown of available tax loss carry-forward of Controladora and its subsidiaries as of December 31, 2024 is as follows:

	Historical Loss		Adjusted losses		Amortized losses	Total amount outstanding to amortize	
Vuela Aviación	US\$	15,529	US\$	15,019	US\$	-	US\$ 15,019
Comercializadora		3,345		1,698		-	1,698
Viajes Vuela		670		780		-	780
	US\$	19,544	US\$	17,497	US\$	-	US\$ 17,497
Unrecognized Net							
Operating Losses (NOLs)	(16,717)						
	US\$						780
Tax rate	30%						
Deferred income tax	US\$						234

Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

The temporary differences associated with investments in the Company’s subsidiaries, for which a deferred tax liability has not been recognized in the periods presented, aggregate in 2024 was US\$15,679 (2023 was US\$7,833). The Company has determined that the undistributed profits of its subsidiaries will not be distributed in the foreseeable future. The Company has an agreement with its associate that the profits of the associate will not be distributed until it obtains the consent of the Company. The Company does not anticipate giving such consent at the reporting date. Furthermore, the Group will not distribute its profits until it obtains the consent of all venture partners.

f) At December 31, 2024, the Company had the following tax balances:

2024		
Cuenta de capital de aportación (“CUCA”)	US\$	286,961
Cuenta de Utilidad Fiscal Neta (“CUFIN”) ⁽¹⁾		241,680

⁽¹⁾ The calculation comprises all the subsidiaries of the Company.

As of December 31, 2024, the Company has tax proceedings regarding uncertain tax positions by an amount of about US\$78.5 million, associated to the deductibility of certain Company expenses during 2013, 2014 and 2015. The Company has filed legal administrative procedures. Volaris considers that it has solid arguments to believe that it will not have adverse effects as no such adjustments have been considered. Nonetheless, until all stages in the procedures are exhausted in each proceeding, the Company cannot assure the achievement of a final favorable resolution.

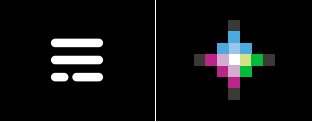
21. Operating revenues

For the years ended December 31, 2024, 2023 and 2022, the revenues from contracts with customers is described as follows:

Revenue recognition for the year ended December 31, 2024	At the flight time		At the sale		Total Revenues
	Domestic	International	Domestic	International	
Passenger revenues					
Fare revenues	US\$ 930,837	US\$ 586,269	US\$ -	US\$ -	US\$ 1,517,106
Other passenger revenues	902,312	572,923	10,587	6,771	1,492,593
	1,833,149	1,159,192	10,587	6,771	3,009,699
Non-passenger revenues					
Other non-passenger revenues	110,691	860	-	-	111,551
Cargo	2,122	18,504	-	-	20,626
Total	US\$ 1,945,962	US\$ 1,178,556	US\$ 10,587	US\$ 6,771	US\$ 3,141,876

Revenue recognition for the year ended December 31, 2023	At the flight time		At the sale		Total Revenues
	Domestic	International	Domestic	International	
Passenger revenues					
Fare revenues	US\$ 1,027,699	US\$ 622,588	US\$ -	US\$ -	US\$ 1,650,287
Other passenger revenues	901,331	551,075	12,964	7,867	1,473,237
	1,929,030	1,173,663	12,964	7,867	3,123,524
Non-passenger revenues					
Other non-passenger revenues	114,318	1,106	-	-	115,424
Cargo	4,432	15,593	-	-	20,025
Total	US\$ 2,047,780	US\$ 1,190,362	US\$ 12,964	US\$ 7,867	US\$ 3,258,973

Revenue recognition for the year ended December 31, 2022	At the flight time		At the sale		Total Revenues
	Domestic	International	Domestic	International	
Passenger revenues					
Fare revenues	US\$ 1,097,480	US\$ 563,696	US\$ -	US\$ -	US\$ 1,661,176
Other passenger revenues	695,602	365,243	11,403	6,003	1,078,251
	1,793,082	928,939	11,403	6,003	2,739,427
Non-passenger revenues					
Other non-passenger revenues	92,088	889	-	-	92,977
Cargo	13,171	1,615	-	-	14,786
Total	US\$ 1,898,341	US\$ 931,443	US\$ 11,403	US\$ 6,003	US\$ 2,847,190



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

Transactions from unearned transportation revenues

	2024		2023	
January 1,	US\$	343,400	US\$	346,469
Deferred		3,009,076		3,120,455
Recognized in revenue during the year		(3,009,699)		(3,123,524)
December 31,	US\$	342,777	US\$	343,400

The performance obligations related to contract liability are recognized over the following 12 months and are related to the scheduled flights and other passenger services purchased by the client in advance.

22. Other operating income and expenses

An analysis of other operating income is as follows:

	2024		2023		2022	
Gain on sale and leaseback (Note 12)	US\$	32,175	US\$	8,275	US\$	21,193
Gain (loss) on sale of rotatable spare parts, furniture and equipment and others		1,458		3,540		(1,645)
Other income		172,811		42,895		5,518
	US\$	206,444	US\$	54,710	US\$	25,066

An analysis of other operating expenses is as follows:

	2024		2023		2022	
Administrative and operational support expenses	US\$	72,516	US\$	110,556	US\$	49,431
Technology and communications		33,956		29,651		25,708
Other operating expenses		18,983		17,996		15,756
Passenger services		7,260		5,930		5,116
Insurance		6,533		5,731		6,574
	US\$	139,248	US\$	169,864	US\$	102,585

23. Finance income and cost

An analysis of finance income is as follows:

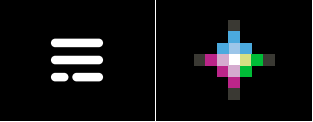
	2024		2023		2022	
Interest on cash and equivalents	US\$	39,941	US\$	32,461	US\$	12,036
Interest on recovery of guarantee deposits		8,079		4,611		155
Interest on cash and equivalents held in the trust CIB/3249		1,424		1,150		711
	US\$	49,444	US\$	38,222	US\$	12,902

An analysis of finance cost is as follows:

	2024		2023		2022	
Interest expense on lease liabilities and aircraft and engine lease return obligation (Note 14)	US\$	250,530	US\$	191,967	US\$	174,769
Interest on asset-backed trust notes		19,496		16,969		12,049
Cost of letter credit notes		6,744		5,477		4,131
Interest on debts and borrowings ⁽¹⁾		14,125		2,851		533
Other finance costs		1,497		1,153		584
Derivative financial instruments loss (Note 4)		896		579		161
Bank fees and others		351		347		308
	US\$	293,639	US\$	219,343	US\$	192,535

(1) The borrowing costs related to the construction of qualifying assets are capitalized as part of the cost of the asset (Note 12).Interest expense not capitalized is related to the short-term working capital facility.

	2024		2023		2022	
Interest on debts and borrowings	US\$	49,232	US\$	24,752	US\$	8,448
Capitalized interest (Note 12)		(35,107)		(21,901)		(7,915)
Net interest on debts and borrowing in the consolidated statements of operations	US\$	14,125	US\$	2,851	US\$	533



Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries (d.b.a. VOLARIS)

Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

24. Components of accumulated other comprehensive loss

a. An analysis of the accumulated other comprehensive loss for the years ended December 31, 2024 and 2023 is as follows:

	Remeasurements of employee benefits		Derivative and non-derivative financial instruments		Exchange differences on the translation of foreign operations		Total	
Other comprehensive loss:								
Balances as of December 31, 2022	US\$	(547)	US\$	(109)	US\$	(144,653)	US\$	(145,309)
Comprehensive (loss) income of the year		(107)		(1,175)		749		(533)
Benefit income tax deferred		32		362		-		394
Net balances as of December 31, 2023		(622)		(922)		(143,904)		(145,448)
Comprehensive loss of the year		(130)		(394)		(3,879)		(4,403)
Benefit income tax deferred		39		118		-		157
Net balances as of December 31, 2024	US\$	(713)	US\$	(1,198)	US\$	(147,783)	US\$	(149,694)

b. An analysis of the effects of the derivative and non-financial instruments in other comprehensive (loss) income for the years ended December 31, 2024, 2023 and 2022 is as follows:

	2024		2023		2022	
Derivative and non-derivative financial instruments:						
Jet fuel Asian call options contracts	US\$	(307)	US\$	-	US\$	-
T-Locks		(117)		-		-
Interest rate Cap		30		(1,175)		336
Total	US\$	(394)	US\$	(1,175)	US\$	336

25. Commitments and contingencies

Aircraft-related commitments and financing arrangements

Committed expenditures for aircraft purchase and related flight equipment related to the Airbus purchase agreement, including estimated amounts for contractual price escalations and pre-delivery payments, will be as follows:

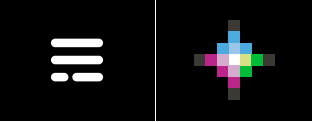
	Commitment expenditures in thousands of U.S. dollars	
2025	US\$	39,460
2026		472,619
2027		593,684
2028		1,137,129
2029 and thereafter		4,290,736
	US\$	6,533,628

All aircraft acquired by the Company through the Airbus purchase agreement through December 31, 2024 have been executed through sale and leaseback transactions.

In addition, we have commitments to execute sale and leaseback over the next two years. The estimated proceeds from these commitments are as follows:

	Aircraft sale prices estimated in thousands of U.S. dollars	
2025	US\$	767,500
2026		112,500
	US\$	880,000

For future aircraft deliveries, the Company will review the lease and financing structure applicable based on then-current market conditions.



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Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(In thousands of U.S. dollars, except when indicated otherwise)

The future lease payments for these non-cancellable sale and leaseback contracts are as follows:

Aircraft leases in thousands of U.S. dollars		
2025	US\$	25,096
2026		56,634
2027		59,140
2028		59,140
2029 and thereafter		509,673
US\$		709,683

Purchase of additional A320 New Engine Option (“NEO”) family aircraft

On December 28, 2017, the Company amended the agreement with Airbus, S.A.S. (“Airbus”) for the purchase of 80 additional A320NEO family aircraft to be delivered from 2022 to 2026, which was further amended in July 2020 to reschedule the deliveries between 2023 and 2028. Additionally, in November 2021, the Company entered into a new amendment to the referred agreement to purchase 39 additional A320 New Engine Option (“NEO”) Family Aircraft to be delivered between 2023 and 2029. In addition to the acquisition of these 39 aircraft, the Company exercised its rights under the purchase agreement with Airbus to convert 19 aircraft from A320NEO to A321NEO aircraft of its current order, all to support the Company’s targeted growth markets in Mexico, United States, Central America and South America.

On October 10, 2022, the Company executed an amendment to our existing Airbus purchase agreement for the purchase of 25 A321NEO aircraft, all to be delivered in 2030.

On November 26, 2024, the Company entered into an amendment agreement with Airbus to the existing purchase agreement to reschedule the deliveries for the 131 pending aircraft between 2025 and 2031.

Litigation

The Company is a party to legal proceedings and claims that arise during the ordinary course of business. Certain proceedings are considered possible obligations. Based on the plaintiffs’ claims, as of December 31, 2024 and 2023, these possible contingencies amount to a total of US\$37.1 million (US\$2.1 million related to legal matters, US\$5.0 million related to labor matters and US\$30.0 million related to other contributions matters), US\$29.4 million (US\$2.8 million related to legal matters, US\$6.1 million related to labor matters and US\$20.5 million related to other contributions matters), respectively.

26. Operating segments

The Company is managed as a single business unit that provides air transportation services. The Company has two geographic segments identified below:

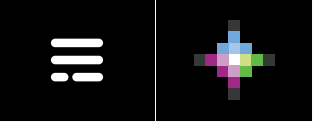
	2024	2023	2022
Operating revenues:			
Domestic (Mexico)	US\$ 1,956,549	US\$ 2,060,744	US\$ 1,909,744
International:			
United States of America	965,684	931,184	758,609
Central America and South America	219,643	267,045	178,837
Total operating revenues	US\$ 3,141,876	US\$ 3,258,973	US\$ 2,847,190

Revenues are allocated by geographic segments based upon the origin-destination of each flight. The Company does not have material non-current assets located in foreign countries.

27. Subsequent events

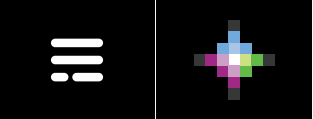
As of April 10, 2025, no relevant subsequent events have been identified that could significantly impact the consolidated financial statements.

Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
➤ GRI 2: General Disclosures 2021				
2-1 Organizational details	12, 19, 38			
2-2 Entities included in the organization’s sustainability reporting	10			
2-3 Reporting period, frequency and contact point	10, 237			
2-4 Restatements of information	10			
2-5 External assurance	10, 233-234 Responsibility for the annual limited assurance of our sustainability reporting is under the direction of our controllership and compliance team. Responsibility for the annual limited assurance of our sustainability reporting is under the direction of our controllership and compliance team.			
2-6 Activities, value chain and other business relationships	12, 17, 78			

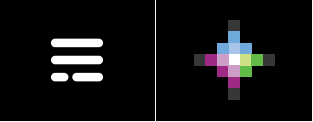


Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
2-7 Employees	104-105	b. Permanent, full-time and part-time employees by region. c. Methodologies and assumptions used to compile the data.	a. Information unavailable/ incomplete.	a. Volaris only reports this information at total company level.
2-8 Workers who are not employees		All.	Not applicable.	Volaris does not have workers that are not employees.
2-9 Governance structure and composition	23, 45, 52-53			
2-10 Nomination and selection of the highest governance body	41, 44, 52-53			
2-11 Chair of the highest governance body	44			
2-12 Role of the highest governance body in overseeing the management of impacts	23-24			
2-13 Delegation of responsibility for managing impacts	24, 55			
2-14 Role of the highest governance body in sustainability reporting	10			
2-15 Conflicts of interest	41-42, 45			
2-16 Communication of critical concerns	75	b. Total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	Confidentiality constraints.	Due to confidentially constraints Volaris does not report this information publicly.
2-17 Collective knowledge of the highest governance body	23			
2-18 Evaluation of the performance of the highest governance body	42			
2-19 Remuneration policies	62-64			
2-20 Process to determine remuneration	63-64			

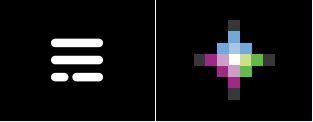
Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
2-21 Annual total compensation ratio		All.	Confidentiality constraints.	Due to employee safety and privacy concerns, Volaris does not report this information publicly.
2-22 Statement on sustainable development strategy	4-6			
2-23 Policy commitments	73-74			
2-24 Embedding policy commitments	73			
2-25 Processes to remediate negative impacts	75			
2-26 Mechanisms for seeking advice and raising concerns	75			
2-27 Compliance with laws and regulations	76			
2-28 Membership associations	77			
2-29 Approach to stakeholder engagement	32-33			
2-30 Collective bargaining agreements	120			
➤ GRI 3: Material Topics 2021				
3-1 Process to determine material topics	227			
3-2 List of material topics	228-231			
➤ GRI 201: Economic Performance 2016				
3-3 Management of material topics	71-72, 150-152			
201-1 Direct economic value generated and distributed	152			



Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
201-2 Financial implications and other risks and opportunities due to climate change	71-72			
201-3 Defined benefit plan obligations and other retirement plans	Please see our most recent 20-F ("Employee Benefits") for information on our defined benefit obligations and other employee benefits.			
201-4 Financial assistance received from government	-	All.	Not applicable.	We do not receive financial support from the government.
➤ GRI 206: Anti-competitive behavior 2016				
3-3 Management of material topics	73			
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	76			
➤ GRI 302: Energy 2016				
3-3 Management of material topics	133, 139			
302-1 Energy consumption within the organization	132	b. Total fuel consumption from renewable sources. d. Total electricity, heating, cooling, or steam sold.	Not applicable.	b. Volaris does not consume any renewable energy. d. We do not sell any energy.
302-2 Energy consumption outside of the organization		All.	Information unavailable/incomplete.	Volaris does not currently track energy consumption outside our organization. We endeavor to improve our data collection systems to report this information the future.
302-3 Energy intensity	132			
302-4 Reduction of energy consumption	132, 138			
302-5 Reductions in energy requirements of products and services	See 302-4			



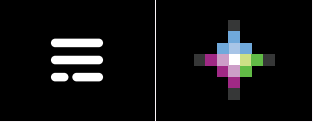
Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
➤ GRI 305: Emissions 2016				
3-3 Management of material topics	128-129, 133			
305-1 Direct (Scope 1) GHG emissions	131, 132	c. Biogenic CO ₂ emissions in metric tons of CO ₂ equivalent.	c. Not applicable.	Volaris does not track biogenic emissions sources.
305-2 Energy indirect (Scope 2) GHG emissions	132	b. Gross market-based energy indirect (Scope 2) GHG emissions.	b. Not applicable.	b. Volaris does not currently calculate market-based Scope 2 emissions as we do not use any contractual instruments such as Renewable Energy Certificates.
305-3 Other indirect (Scope 3) GHG emissions		All.	Information unavailable/incomplete.	Volaris does not currently track our Scope 3 emissions. We endeavor to improve our data collection systems to report this information the future.
305-4 GHG emissions intensity	136			
305-5 Reduction of GHG emissions	132, 134, 136			
305-6 Emissions of ozone-depleting substances (ODS)	-	All.	Not applicable.	Our operations and facilities do not generate ODS.
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	All.	Information unavailable/incomplete.	We do not currently track NOx, SOx and other significant air emissions as defined by GRI. We endeavor to improve our data collection systems to report this information the future.
➤ GRI 401: Employment 2016				
3-3 Management of material topics	103			
401-1 New employee hires and employee turnover	109-111	a. Total rate of new employee hires during the reporting period, by age group, gender and region. b. Total number of employee turnover during the reporting period by age group.	Information unavailable/incomplete.	This information is not collected currently. We endeavor to improve our data collection systems to report this information the future.



Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	-	All.	Confidentiality constraint.	Due to employee safety and security concerns, we do not disclose differences in specific benefits packages for employees.
401-3 Parental leave	120-121	e. return to work and retention rates of employees that took parental leave, by gender.	Information unavailable/incomplete.	Return to work rate for male employees that took parental leave during the year is not available. We endeavor to improve our data collection systems to report this information the future.
➤ GRI 403: Occupational Health and Safety 2018				
3-3 Management of material topics	122			
403-1 Occupational health and safety management system	122			
403-2 Hazard identification, risk assessment, and incident investigation	122-123			
403-3 Occupational health services	125			
403-4 Worker participation, consultation, and communication on occupational health and safety	122, 125			
403-5 Worker training on occupational health and safety	115, 125			
403-6 Promotion of worker health	120-121			
403-8 Workers covered by an occupational health and safety management system	122			



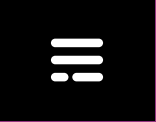
Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
403-9 Work-related injuries	123-125	a. iv the main types of work-related injury; c. the work-related hazards that pose a risk of high-consequence injury, including: i. how these hazards have been determined; ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period.	Information unavailable/incomplete.	We are working to update our reporting processes to collect and disclosure this data in the future.
403-10 Work-related ill health	123, 125	a. iii. the main types of work-related ill health. c. the work-related hazards that pose a risk of ill health, including: i. how these hazards have been determined; ii. which of these hazards have caused or contributed to cases of ill health during the reporting period.	Information unavailable/incomplete.	We are working to update our reporting processes to collect and disclosure this data in the future.
➤ GRI 404: Training and Education 2016				
3-3 Management of material topics	113			
404-1 Average hours of training per year per employee	114	All.	Information unavailable/incomplete.	Average training hours per year are currently only collected for total full-time equivalent employees, not by gender or employee category. We endeavor to update our reporting processes to collect and disclosure this data in the future.
404-2 Programs for upgrading employee skills and transition assistance programs	114-118	b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	Information unavailable/incomplete.	Volaris does not currently disclose this information.
404-3 Percentage of employees receiving regular performance and career development reviews	All Ambassadors receive performance evaluations; the frequency may be quarterly or semiannually, depending on an Ambassador's position.			



Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
➤ GRI 405: Diversity and Equal Opportunity 2016				
3-3 Management of material topics	73			
405-1 Diversity of governance bodies and employees	45, 104-105	b. percentage of employees per employee category in each of the following diversity categories: i. gender; ii. age group	Information unavailable/incomplete.	Employee gender and age group information is only reported for the entire workforce, not by employee category.
405-2 Ratio of basic salary and remuneration of women to men	121	a. Ratios by significant locations of operation. b. The definition used for 'significant locations of operation'.	Information unavailable/incomplete.	Volaris does not currently track gender pay ratios by operational location. Information is reported for the entire workforce.
➤ GRI 407: Freedom of Association and Collective Bargaining 2016				
3-3 Management of material topics	119			
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	119			
➤ GRI 415: Public Policy 2016				
3-3 Management of material topics	77			
415-1 Political contributions	77			
➤ GRI 416: Customer Health and Safety 2016				
3-3 Management of material topics	93			
416-1 Assessment of the health and safety impacts of product and service categories	93			
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	76			

225

Disclosure	Primary Location	Requirements Omitted	Omission Reason	Omission Explanation
➤ GRI 417: Marketing and Labeling 2016				
3-3 Management of material topics	91			
417-1 Requirements for product and service information and labeling	-	All.	Not applicable.	Volaris provides airline transportation services and does not sell consumer goods with labeling requirements.
417-2 Incidents of non-compliance concerning product and service information and labeling	91			
417-3 Incidents of non-compliance concerning marketing communications	91			
➤ GRI 418: Customer Privacy 2016				
3-3 Management of material topics	99-100			
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	101			



Sustainability Accounting Standards Board (SASB) Index



SASB Topic	SASB Code	Accounting Metric	Report Location or Response
➤ Accident & Safety Management	TR-AL-540a.1	Description of implementation and outcomes of a Safety Management System.	Our Customers – Safety.
	TR-AL-540a.2	Number of aviation accidents.	Our Customers – Safety
	TR-AL-540a.3	Number of governmental enforcement actions of aviation safety regulations.	In 2024, Volaris was not subject to any governmental enforcement actions of aviation safety regulations.
➤ Competitive Behavior	TR-AL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations.	Our Corporate Governance – Regulatory Compliance
➤ Greenhouse Gas Emissions	TR-AL-110a.1	Gross global Scope 1 emissions.	Our Environmental Impact – Environmental Management – GHG Emissions Pathway and Progress.
	TR-AL-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	Our Environmental Impact – Environmental Management – GHG Emissions Pathway and Progress
	TR-AL-110a.3	(1) Total fuel consumed, (2) percentage alternative, (3) percentage sustainable.	Our Environmental Impact – Environmental Management – GHG Emissions Pathway and Progress. (2-3) Greenhouse Gas (GHG) Emissions
➤ Activity metrics	TR-AL-000.A	Available Seat Kilometers (ASK).	54,700,971,998 km.
	TR-AL-000.B	Passenger load factor.	Our Customers – Operational Efficiency.
	TR-AL-000.C	Revenue Passenger Kilometers (RPK).	Our Customers – Operational Efficiency
	TR-AL-000.D	Revenue Ton Kilometers (RTK).	Our Customers – Operational Efficiency.
	TR-AL-000.E	Number of departures.	Our Customers – Operational Efficiency.
	TR-AL-000.F	Average age of fleet.	Our Environmental Impact – Environmental Management – GHG Emissions Pathway and Progress
➤ Labor Practices	TR-AL-310a.1	Percentage of active workforce covered under collective bargaining agreements.	Our Ambassadors – Labor Practices – Freedom of Association and Collective Bargaining.
	TR-AL-310a.2	(1) Number of work stoppages and (2) total days idle.	We do not disclose this information at this time. For more information on our labor relations, please refer to the Freedom of Association and Collective Bargaining section of the Our Ambassadors chapter.

ESG Relevant Topics Assessment Methodology



As part of our Corporate Sustainability Strategy, we updated our ESG relevant topics assessment to better reflect Volaris’ evolving context and align with international best practices.



Our Methodological Approach

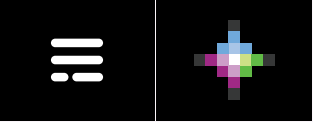
The assessment followed a qualitative methodology composed of four main phases:

1. Stakeholder Mapping	2. Topic Identification	3. Stakeholder Engagement	4. Prioritization and Reassessment	5. Outcome
We identified and validated internal and external stakeholders based on their relevance and influence, using corporate reports, peer benchmarks, and expert input to ensure balanced representation.	We developed a preliminary list of ESG topics and subtopics through: ➤ Review of internal documentation and industry frameworks (e.g., SASB, S&P), ➤ AI-powered analysis to identify emerging risks, regulatory trends, and best practices.	We engaged with stakeholders through executive interviews and targeted surveys to understand the perceived importance of each topic. This dialogue allowed us to capture both internal strategic views and external expectations, providing a solid foundation for prioritization.	Using updated data and stakeholder feedback, we reassessed the relevance and likelihood of each topic, identifying those most relevant for both business performance and societal impact.	This process resulted in an updated list of relevant ESG topics, which informs our strategy, ESG risk management, and long-term decision-making.

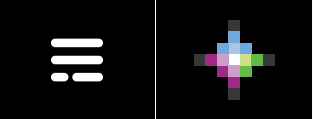


List of ESG and Economic Relevant Topics

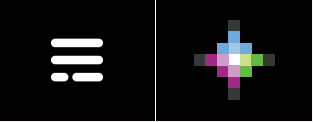
Topic	Subtopic	Definition	Relevant GRI Standard	Relevant SASB Code
Fuel consumption and GHG emissions	➤ Reduction of GHG emissions and noise footprint	Management of direct and indirect greenhouse gas emissions (GHG) from fossil fuel use in air operations, including reduction targets and actions to limit the company's contribution to global warming. Includes noise footprint management during flight and ground operations. Covers efficient fuel use through strategies to improve operational performance, based on distance traveled and volume of passengers and cargo, considering aircraft selection, regular maintenance, and optimized route planning	302: Energy 305: Emissions	TR-AL-110a.1
	➤ Fuel consumption efficiency			TR-AL-110a.2
	➤ Fuel-efficient fleet management			TR-AL-110a.3
				TR-AL-000.A TR-AL-000.E
Cybersecurity and data protection	➤ Cybersecurity ➤ Private information management / Data protection	Safeguarding the integrity, confidentiality, and availability of information systems and personal data. Includes protocols to prevent cyber threats, infrastructure protection, employee training, and regulatory compliance in digital security.	418: Customer privacy	Not applicable
Climate change strategy	➤ Climate-related risks and opportunities management	Definition and implementation of long-term plans to reduce the company's environmental impact. Involves risk and opportunity assessment, oversight, targets, emission reduction actions, and alignment with climate-related regulations and initiatives.	201-2: Financial implications and other risks and opportunities due to climate change	TR-AL-110a.1 TR-AL-110a.2 TR-AL-110a.3
Aviation security and safety	➤ Safety	Guaranteeing passenger, crew, and aircraft safety and security through regulatory compliance, technological tools, and operational controls. Includes accident prevention, emergency response, and promotion of a safety-first culture.	403: Occupational health and safety 416: Customer health and safety	TR-AL-540a.1
	➤ Biosecurity			TR-AL-540a.2
	➤ Fleet maintenance			TR-AL-540a.3
	➤ Disruptive passengers			
	➤ Flight techniques and navigation instrument optimization			
Regulatory compliance	➤ National and international regulatory framework	Adherence to applicable legal, operational, fiscal, environmental, labor, and sectoral regulations in all jurisdictions where the company operates. Includes continuous monitoring, training, and internal mechanisms to prevent non-compliance and ensure transparency.	2-27: Compliance with laws and regulations 415: Public policy	TR-AL-520a.1
	➤ Responsible tax practices			TR-AL-540a.3
	➤ Emerging regulations			



Topic	Subtopic	Definition	Relevant GRI Standard	Relevant SASB Code
Labor practices	Fair and equitable compensation Union and unionized staff relations Talent attraction, development, and retention Fair and inclusive workplaces Occupational health and safety	Ensuring decent work and respect for labor rights, including non-discrimination, fair compensation, freedom of association, and safe working conditions. Covers professional development and employee well-being initiatives.	2-7: Employees	TR-AL-310a.1
			2-8: Workers who are not employees	TR-AL-310a.2
Ethics and transparency	Fair competition Business ethics Grievance and remediation mechanisms Corporate reputation Stakeholder engagement Transparency in ESG disclosure	Promoting integrity, ethical behavior, and accountability across the organization. Includes anti-corruption policies, internal controls, reporting mechanisms, and transparent communication with stakeholders.	2-19: Remuneration policies	TR-AL-540a.2
			2-20: Process to determine remuneration	
			2-21: Annual total compensation ratio	
			2-23: Policy commitments	
			2-24: Embedding policy commitments	
			2-30: Collective bargaining agreements	
			201-3: Defined Benefit plan obligations and other retirement plans	
			401: Employment	
			403: Occupational health and safety	
			404: Training and education	
			405: Diversity and equal opportunity	
			406: Non-discrimination	
			407: Freedom of association and collective bargaining	
Ethics and transparency	Fair competition Business ethics Grievance and remediation mechanisms Corporate reputation Stakeholder engagement Transparency in ESG disclosure	Promoting integrity, ethical behavior, and accountability across the organization. Includes anti-corruption policies, internal controls, reporting mechanisms, and transparent communication with stakeholders.	2-5: External assurance	TR-AL-520a.1
			2-15: Conflicts of interest	
			2-16: Communication of critical concerns	
			2-22: Statement on sustainable development strategy	
			2-23: Policy commitments	
			2-24: Embedding policy commitments	
			2-25: Processes to remediate negative impacts	
			2-26: Mechanisms for seeking advice and raising	
			2-28: Membership associations	
			2-29: Approach to stakeholder engagement	
			206: Anti-competitive behavior	
			406: Non-discrimination	

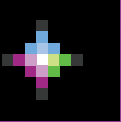


Topic	Subtopic	Definition	Relevant GRI Standard	Relevant SASB Code
Resilient business model	➤ Risk, opportunity and crisis management	Development of a business strategy capable of withstanding economic, geopolitical, and social disruptions. Involves comprehensive risk, opportunity, and crisis management; maintaining a robust ultra-low-cost operating model; monitoring macroeconomic, migratory, and geopolitical trends; and ensuring strong financial performance to support long-term stability and adaptability.	2-16: Communication of critical concerns 2-22: Statement on sustainable development strategy 2-27: Compliance with laws and regulations 2-29: Approach to stakeholder engagement 201-1: Direct economic value generated and distributed 201-2: Financial implications and other risks and opportunities due to climate change	TR-AL-000.C
	➤ Ultra-low-cost business model			
	➤ Geopolitical landscape and migration			
	➤ Goeconomic landscape			
	➤ Economic/financial performance			
Operational efficiency	➤ Energy management	Efficient management of environmental resources to reduce the ecological footprint of operations. Includes energy optimization to reduce consumption and emissions, responsible handling and disposal of hazardous waste, and proper management of municipal solid and recyclable waste to promote circular practices and regulatory compliance.	302: Energy 305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	TR-AL-110a.1 TR-AL-110a.2 TR-AL-110a.3
	➤ Hazardous waste management			
	➤ Municipal solid and recyclable waste management			
Customer satisfaction and experience	➤ Service quality	Enhancing the travel experience through quality service, accessibility, and customer support. Includes complaint management, service reliability, and continuous improvement based on customer feedback and expectations.	416: Customer health and safety 417: Marketing and labeling	TR-AL-000.B
	➤ Customer satisfaction			
	➤ Customer rights			
	➤ Diversity, Equity, and Inclusion in services			
	➤ Ethical marketing			
	➤ Flight network and destination management			
Corporate governance	➤ Board of Directors structure	Establishing effective governance structures that ensure responsible leadership, board independence, accountability, and alignment with stakeholder interests. Includes ESG oversight and risk management at the highest levels.	2: General disclosures – Governance (2-9 to 2-21) 2: General disclosures – Strategy, policies and practices (2-22 to 2-28) 405-1: Diversity of governance bodies and employees	TR-AL-520a.1
	➤ Corporate governance principles			
	➤ Organizational culture			
Social commitment	➤ Democratization of the skies and social mobility	Generating positive impact in the communities where the company operates through inclusive programs, volunteering, and partnerships. Focused on education, well-being, and long-term development in vulnerable or underserved areas.	2-23: Policy commitments 2-24: Embedding policy commitments	TR-AL-000.A TR-AL-000.E
	➤ Human trafficking prevention			
	➤ Human rights (customers, Ambassadors, suppliers, and others)			
	➤ Volunteerism			



Topic	Subtopic	Definition	Relevant GRI Standard	Relevant SASB Code
Innovation and new technologies	➤ Digitalization	Implementation of digital tools, emerging technologies, and structured innovation processes to enhance operational performance, decision-making, and customer experience. Includes digital transformation across business functions, governance of innovation initiatives, and the strategic use of artificial intelligence (AI) to drive efficiency and competitiveness.	418: Customer privacy	Not applicable
	➤ Innovation management			
	➤ Use of artificial Intelligence (AI)			
Supply chain management	➤ Aircraft and engine acquisition and renewal	Strategic management of the supply chain to ensure the timely and efficient acquisition and renewal of aircraft, engines, and critical components. Includes fostering responsible supplier relationships based on ESG principles, ethics, and risk control, while securing long-term partnerships that support operational continuity, innovation, and sustainability objectives.	2-6: Activities, value chain and other business relationships 2-23: Policy commitments 2-24: Embedding policy commitments 2-29: Approach to stakeholder engagement	TR-AL-000.F
	➤ Acquisition of critical aircraft components and spare parts			
	➤ Responsible supply chain management and supplier relations			
Low and flexible fares	➤ Customer flexibility and service options	Providing accessible, competitive, and adaptable fare options to promote inclusion and mobility. Involves strategies for pricing flexibility, cost control, and value creation for different customer segments.	201-1: Direct economic value generated and distributed	TR-AL-000.A TR-AL-000.B TR-AL-000.C
	➤ Accessibility and inclusion			
	➤ Revenue management and optimization			

	AAC Civil Aviation Authority of El Salvador	Sustainability Officer	DGAC General Directorate of Civil Aviation of Costa Rica	ISO International Organization for Standardization	PROFECO Procuraduría Federal del Consumidor (Office of the Federal Prosecutor for the Consumer in Mexico)	SMS Occupational Safety Management System
	ACMS Aircraft Condition Monitoring System	CCO Centro de Control Operacional (Operations Control Center)	ECPAT End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes	KPI Key Performance Indicator		SOP Standard Operating Procedures
	ADS American Depository Shares	CCPA/CPRA California’s Consumer Privacy Act	ESG Environmental, Social, and Governance	LLC Limited Liability Company	P&W Pratt and Whitney	SPI Safety Performance Indicators
	AFAC Mexico Federal Civil Aviation Agency	CEO Chief Executive Officer	FAA U.S. Federal Aviation Administration	LFPDP Mexico’s Federal Law on the Protection of Personal Data Held by Private Parties	QMS Quality Management System	STIA Industria Aeronáutica, Similares y Conexos de la República Mexicana (Union of Workers of the Aeronautical, Communications, Similar and Related Industry of the Mexican Republic)
	AFR Accident Frequency Rate	CPO Certificados de Participación Ordinaria (Ordinary Participation Certificates)	FCPA Foreign Anti-Corruption Practices Law	LWR Lost Workdays Rate	RENE Registro Nacional de Emisiones (National Emissions Registry in Mexico)	TRASM Total Revenue per Available Seat Mile
	AI Artificial Intelligence	COO Chief Operating Officer	GHG Greenhouse Gas	MM Million	RETC Registry of Emissions and Transfer of Pollutants	ULCC Ultra-Low-Cost Carrier
	APU Auxiliary Power Unit	CNBV Comisión Nacional Bancaria y de Valores (National Banking and Stock Commission)	GRI Global Reporting Initiative	NEO New Engine Option	RPK Revenue Passenger Kilometer	TSA U.S. Transportation Security Administration
	AQD Aviation Quality Database	CORSIA Carbon Offsetting Scheme for International Aviation	GTF Geared Turbofan	NPS Net Promoter Score	RPM Revenue Passenger Mile	UN United Nations
	ASM Available Seat Miles	COBIT Control Objectives for Information and Related Technology	IAMS Integrated Airline Management System	NYSE New York Stock Exchange	SAF Sustainable Aviation Fuel	UNODC United Nations Office on Drugs and Crime
	BMV Bolsa Mexicana de Valores (Mexican Stock Exchange)	COSO Committee of Sponsoring Organizations of the Treadway Commission	IAR Integrated Annual Report	OECD Organization for Economic Co-operation and Development	SDG Sustainable Development Goal	VFR Visiting Friends and Relatives
	BPO Business Process Owners	DDQs Privacy Due Diligence Questionnaires	IATA International Air Transport Association	OIR Occupational Incidence Rate	SEC U.S. Securities and Exchange Commission	WEFA Wireless Extension For ACMS
	CASM Cost per Available Seat Mile		ICAO International Civil Aviation Organization	OPT On-Time Performance	SEMARNAT Secretaría de Medio Ambiente y Recursos Naturales (Secretariat of Environment and Natural Resources in Mexico)	
	CO₂ Carbon Dioxide			PDP Pre-Delivery Payments		
	CCASO Chief Corporate Affairs and			PIAs Privacy Impact Assessments		



External Assurance Statements

GRI 2-5



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Independent Practitioners' Limited Assurance Report

To the Board of Directors of Controladora Vuela Compañía de Aviación, S.A.B. de C.V.:

Report on Key Sustainability Performance Indicators of Controladora Vuela Compañía de Aviación, S.A.B. de C.V. (hereinafter "Volaris") that are included in the Sustainability Report 2024.

Conclusion

We have performed a limited assurance engagement on whether the Key Sustainability Performance Indicators of Volaris, detailed in the Annex A attached to this assurance report for the period from January 1st to December 31st., 2024 have been prepared in accordance with the standards of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) (the "Criteria").

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Key Sustainability Performance Indicators of Volaris detailed in the Annex A attached to this assurance report for the period from January 1st. to December 31st., 2024, are not prepared, in all material respects, in accordance with Criteria.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Restriction on use

Our report should not be regarded as suitable to be used or relied on by any party to acquire rights against us other than the Board of Directors and the Financial Planning Department of Volaris for any purpose or in any other context. Any party other than the Board of Directors and the Financial Planning Department of Volaris who obtain access to our report or a copy thereof and choose to rely on our report (or any part thereof) will do so at its own risk. To the extent permitted by law, we do not accept or assume any responsibility and disclaim any liability to any party other than Volaris for our work, for this independent limited assurance report, or for the conclusions we have reached.

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Puebla, Pue.

Querétaro, Qro.
Rayón, Tama.
Saltillo, Coah.
San Luis Potosí, S.L.P.
Tijuana, B.C.



Responsibilities for the Key Sustainability Performance Indicators

The Financial Planning Department of Volaris is responsible for:

- Designing, implementing and maintaining internal control relevant to the preparation of the Key Sustainability Performance Indicators such that they are free from material misstatement, whether due to fraud or error;
- Selecting or developing suitable criteria for preparing the Key Sustainability Performance Indicators and appropriately referring to or describing the criteria used; and
- Preparing and properly calculating the Key Sustainability Performance Indicators in accordance with the Criteria;
- Making judgments and estimates that are reasonable in the circumstances;
- Ensure that the persons involved in the preparation and submission of the report are appropriately trained and their information systems are properly updated; and
- Guarantee the veracity of the information made available to us and related to the parameters included in the conclusion of this report.

Likewise, Volaris's Management is responsible for preventing and detecting fraud.

Our responsibilities

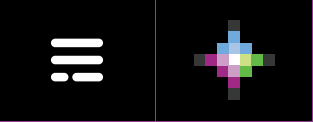
We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Key Sustainability Performance Indicators are free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Board of Directors of Volaris.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Key Sustainability Performance Indicators that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Key Sustainability Performance Indicators and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- Inquiries to management to understand the methodologies and data used in the preparation of the Key Sustainability Performance Indicators;
- Inspection of a selection of supporting documentation;
- Analytical procedures;
- Recalculations of Key Sustainability Performance Indicators based on the applicable Criteria;
- Evaluation of the overall presentation of the Key Sustainability Performance Indicators to determine whether it is consistent with the applicable Criteria and whether it is consistent with our overall knowledge and experience with the Company.



External Assurance Statements

GRI 2-5



The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

KPMG CÁRDENAS ROSAL S. C.

Alejandro Muñoz Mayén
Director

Mexico City – October 03, 2025



Annex A

The Key Sustainability Performance Indicators subject of our limited assurance engagement are as follows:

Standard	Content	
"GRI 2: General Disclosures 2021"	2-7	Employees
	2-9	Governance structure and composition
	2-27	Compliance with laws and regulations
"GRI 302: Energy 2016"	302-1	Energy consumption within the organization
"GRI 305: Emissions 2016"	305-1	Direct (Scope 1) GHG emissions
	305-2	Energy indirect (Scope 2) GHG emissions
"GRI 306: Waste 2020"	306-3	Waste generated
"GRI 404: Training and Education 2016"	404-1	Average hours of training per year per employee
"GRI 414: Supplier Social Assessment 2016"	414-1	New suppliers that were screened using social criteria
"SASB Airlines – Competitive Behaviour"	TR-AL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations
"SASB Airlines – Accident & Safety Management"	TR-AL-540a.1	Description of implementation and outcomes of a Safety Management System

Notes About This Report

Unless otherwise explicitly stated in this Report, the information reflected herein about Volaris corresponds to Fiscal year ending December 31, 2024. It includes, but is not limited to, information previously disclosed elsewhere (e.g., in our 20-F, 2022 Integrated Annual Report, or other public documents). This Report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may be identified by words such as “may,” “will,” “expect,” “aim,” “intend,” “anticipate,” “believe,” “estimate,” “plan,” “project,” “could,” “should,” “hope,” “likely,” “continue” and similar terms. Our actual performance or operational and financial results may vary materially from these statements or our projections due to a variety of reasons, including the Risk Factors identified in our Annual Report on Form 20-F and any subsequent quarterly reports on Form 6-K, as well as, with respect to our ESG targets, goals and commitments outlined in this reporting or elsewhere, sociodemographic and economic

trends; energy and fuel prices; our access to and the availability of energy sources; technological innovations; climate-related conditions and weather events; legislative and regulatory changes; our ability to gather and verify relevant information, including data regarding environmental impacts and the challenges, assumptions and other methodological considerations associated with such information; our ability to successfully implement various initiatives throughout the company under expected time frames, costs and complexity; the compliance of various third parties with our policies and procedures and with legal requirements; our dependency on certain third parties to perform; and other unforeseen events of conditions. These factors are not necessarily all of the important factors that could cause actual results to differ materially and adversely from those expressed in any of our forward-looking statements. Other factors could also have material adverse effects on our future results, including factors that are unknown to us. As such, readers should

not place undue reliance on such forward-looking statements. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in such Reports carefully in evaluating the forward-looking statements in this Report. There may be other factors that may affect matters discussed in forward looking statements set forth in this Report, which factors may also cause actual results to differ materially from those discussed. We assume no obligation to publicly update any forward-looking statement to reflect actual results, changes in assumptions or changes in other factors affecting these statements other than as required by applicable law.

Additionally, this Report contains ESG-related statements based on hypothetical scenarios and/or assumptions as well as estimates that are subject to a high level of inherent uncertainty and these statements should not necessarily be viewed as being representative of current or actual risk or performance, or forecasts of expected

Notes About This Report

risk or performance. In addition, historical, current and forward-looking environmental and social-related statements may be based on standards and metrics for measuring progress, as well as standards for the preparation of any underlying data for those metrics, that are still developing and internal controls and processes that continue to evolve; while these are based on expectations and assumptions believed to be reasonable at the time of preparation, they should not be considered guarantees. Moreover, our disclosures based on any standards may change due to revisions in framework requirements, availability of information, changes in our business or applicable governmental policies, or other factors, some of which may be beyond our control. In addition, as standards are evolving, it is possible that certain of our approaches may, either currently or in the future, be considered inconsistent with common or best practices, which may subject us to additional scrutiny, criticism, or stakeholder engagement or result in changes to our reporting or

progression on targets. We may also rely on third-party information in certain of our disclosures, which involve certain important risks. For example, third-party information may change over time as methodologies and data availability and quality continue to evolve. These factors, as well as any inaccuracies in the third-party information we use, including in our estimates or assumptions, may cause results to differ materially and adversely from estimates and beliefs made by us or third parties, including regarding our ability to achieve our goals. While we are not aware of any material flaws with the information we have used, except to the extent disclosed, we have not undertaken to independently verify this information or the assumptions or other methodological aspects underlying such information.

The events, scenarios and efforts discussed in this Report, including both forward-looking statements and other statements, may be significant; however, the inclusion of such statements is not an indication that these contents are

necessarily material for the purposes of complying with or reporting pursuant to the U.S. federal securities laws and regulations or in other jurisdictions, even if we use the word “material” or “materiality” in this document in relation to those statements or in other materials that we may release from time to time in connection with the matters discussed herein. Moreover, given the uncertainties, estimates and assumptions required to make some of the disclosures in this Report and the timelines involved, materiality is inherently difficult to assess far in advance. In addition, given the inherent uncertainty of the estimates, assumptions and timelines contained in this Report, we may not be able to anticipate in advance whether or the degree to which we will or will not be able to meet our plans, targets, or goals. Website and document references throughout this document are provided for convenience only and their content is not incorporated by reference into this document unless expressly stated.

Contact Information

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We welcome stakeholder questions, comments, and suggestions. Please reach out using the following methods:



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