EasyJet Stelios offers £5m for help to scupper Airbus order

Simon Goodley

The easyJet founder, Sir Stelios Haji-Ioannou, is offering £5m to any “whistleblower” providing him with information that scuppers the budget airline’s 107-plane order from Airbus.

Haji-Ioannou has been attempting to force easyJet’s board to cancel the order for months and says the £4.5bn deal will leave the carrier without enough cash to survive the coronavirus crisis.

In an open letter the entrepreneur, who owns a third of the budget airline, said: “EasyJet is currently run by certain directors that I can only regard as ‘scoundrels’. That remains my honest opinion. The scoundrels want to maintain the Airbus contract despite the fact that there is plenty of evidence that this obligation to pay Airbus will drive easyJet into insolvency by December 2020.”

He added that he was “willing to offer a reward of up to £5m in cash out of his own money to any whistleblower who provides useful information”.

Haji-Ioannou has repeatedly lobbied for easyJet to cancel its order for
new planes, with coronavirus lock-
downs expected to wipe out months 
of revenues.

He has called a shareholder meeting 
to remove four of easyJet’s directors 
- chairman, John Barton; chief execu-
tive, Johan Lundgren; finance director, 
Andrew Findlay; and independent 
non-executive director, Andreas Bier-
wirth - if the airline does not cancel the 
orders to reduce its planned £4.5bn in 
spending up to 2023.

An extraordinary general meeting 
has been set for 22 May, at which share-
holders will vote on his proposals.

Yesterday easyJet hit back and said 
that major advisory agencies ISS, Glass 
Lewis and PIRC had all told sharehold-
ers to vote against Haji-Ioannou’s 
proposals.

Last week shareholders Invesco, 
Phoenix Asset Management, and 
Ninety One, which together own about 
15% of the airline, said they would vote 
against the measures.

An easyJet spokeswoman said: “As 
we have previously stated, the board 
firmly rejects any insinuation that 
easyJet was involved in any impro-
priety. EasyJet has maintained the 
highest standards of governance and 
scrutiny in respect of its aircraft proc-
curement processes.

“Given the significance of the poten-
tial transaction, easyJet appointed 
external independent accountants 
BDO to carry out an ongoing review 
of the controls surrounding the fleet 
selection process which culminated 
in the 2013 Airbus contract. The audit 
report confirmed that robust proc-
curement, project management and 
governance processes were in place 
and had been followed.”