Letter from the CEO

JetBlue Airways exists to provide superior service in every aspect of the air travel experience. We have built our reputation by meeting and exceeding the expectations of our customers. We believe that our success comes with responsibilities — to our customers, to our communities, and to ourselves. We strive to reduce our environmental footprint, reach out to the communities where we live and work, and educate ourselves and others about ways to make an impact. A cleaner, greener planet is good for us all. That is why JetBlue is committed to making a difference within our company, our industry and our communities.

We believe sound and progressive environmental responsibility is in the best interest not only of our customers and the public, but of our company as well. Good environmental stewardship helps ensure our airline’s long-term viability. As a stakeholder in our business, you — our customers, our investors and our crewmembers — can see how our organizational structure demonstrates our commitment to these principles and connects the skills and talents of senior executives and managers with our environmental strategic planning.

At JetBlue, we continually seek ways to go above and beyond environmental regulations. We pursue opportunities to reduce our greenhouse gas emissions. We take steps to recycle waste and adopt earth-friendly corporate buying habits wherever possible. Our support of environmental and social initiatives in our local communities includes encouraging our crewmembers and our customers to do the same. That’s why we partner with and promote companies who share our passion for preserving our planet for future generations.

This report is one way we are communicating with you, our stakeholders, about the JetBlue commitment to protecting our natural resources and improving our communities. I invite you to take a moment to learn more about how JetBlue is living this commitment.
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Introduction
If you have traveled on our airline you understand the “JetBlue experience.” If not, you will want to. Read this report and then check us out at jetblue.com or on your next JetBlue flight.

In this report, we are excited to provide insight into the “JetBlue Culture.” Thanks to our employees, whom we call crewmembers, and our five core values, we built a unique airline. First and foremost, we strive to provide a safe airline. Second, we instill a sense of integrity in everything we do. Finally, we hire, train, and reward crewmembers that share and protect our vision for caring, fun, and passion. Together, our five core values set us apart from the competition. These values are evident in everything we do: our superior product, our customer service, our marketing and branding, and — yes — our environmental and social responsibility initiatives.

JetBlue strives to deal fairly, honestly, and in good faith with all those we encounter in our world. Part of this effort includes providing information to our customers, shareholders, crewmembers, and other stakeholders regarding our environmental and social responsibility efforts. This report is a demonstration of that commitment. We are excited to share our 2007 successes with all our stakeholders.

We are proud of who we are. We believe we stand apart from your everyday airline. These are a few of the things that make us different:

• We think in innovative ways.
• We’re a team in the greatest sense.
• We confront issues head on.
• The individuals and families that travel on JetBlue are more than passengers; they are customers.
• Our crewmembers commit to making JetBlue the best airline in the industry.
• We believe that if we treat our crewmembers right, they will treat our customers right.
• We empower our crewmembers to lead by serving each other, our customers, and our communities.
• Companies that work with us are business partners, not vendors or subcontractors. We know the integral role they play in our success.

We have some difficult challenges in making ourselves greener, but we can — and do — strive to make a difference. How we interact with our communities and our environment is a reflection of who we are and who we want to be. Our operational efficiencies benefit the environment.

We believe the JetBlue experience is an important reason why our customers choose us over other airlines. As we and our environmental strategies continue to mature, we hope our environmental commitment will also distinguish us among our service industry peers and give our present — and future — customers yet one more reason to choose the JetBlue experience.
JetBlue 101 – Organizational Profile
We believe that a key element of our current and long-term success is that we offer customers a better alternative for air travel. Our customers enjoy a distinctive, friendly, award-winning, customer service-oriented service on new aircraft with roomy leather seats, 36 channels of free DIRECTV®, 100 channels of free XM Satellite Radio®, in-flight pay per view movie channel offerings, generous brand name snacks, premium beverages and specifically designed products for our overnight flights.

We are proud of the airline we have built and our accomplishments. For the year ended December 31, 2007, JetBlue was the eighth largest customer carrier and 10th largest consumer of jet fuel in the United States based on revenue customer miles and total gallons of jet fuel consumed as reported by those airlines.

In December 2007, we agreed to sell approximately 42 million shares (19%) of our outstanding common stock to Deutsche Lufthansa AG. We believe that this investment by one of the most highly respected leaders and most recognized brands in the global airline industry is an affirmation of the JetBlue brand and business model. We look forward to exploring future mutual environmental and social synergies.

The following profile provides context for the initiatives described in this report and a summary of our operations and facilities in 2007.

Governance
Before we operated our first flight, we designated integrity as one of our core JetBlue Values. JetBlue’s board of directors and leadership team strive to deal fairly, honestly, and in good faith with each other, our customers, our crewmembers, our business partners, and our competitors. Our chief executive officer (CEO) and most senior financial managers are guided by JetBlue’s Code of Ethics. All of our officers, crewmembers, and the members of our board of directors are guided by our Code of Business Conduct. Our principles, which are set forth in these codes, are instilled in all our crewmembers and supplemented by more specific policies and procedures that are communicated internally from time to time. Both codes are publicly available on our website at investor.jetblue.com.

For contracted services, we seek business partners that share our values and principles. We are committed to operating in the most environmentally and socially responsible manner practical. We strongly believe in documenting these efforts through this and similar reports in the future. To this end, we have established an organizational structure to ensure environmental and social responsibility remain a strong part of our company’s culture.
As of December 31, 2007, the organizational structure of our senior management looked like this:

* Renamed Corporate Social Responsibility January 1, 2008
Crewmembers
We believe one of the factors that differentiates us from our competitors is the high quality service provided to our customers by our crewmembers. Experience indicates that our customers return not only because we offer low airfares but also because we provide a more enjoyable travel experience. Hiring the best people and treating them as we expect our customers to be treated has been critical to our success. Our crewmembers are key to successful implementation of our environmental strategies and community service programs. Their collective efforts are described in detail throughout this report.

As of December 31, 2007, we employed 8,785 full-time and 2,847 part-time crewmembers. This included 1,794 pilots, 1,890 flight attendants, 2,874 airport operations personnel, 431 technicians, whom others refer to as mechanics, 844 reservation agents, and 2,386 management and staff personnel.

None of our crewmember groups are unionized. We believe that a direct relationship with JetBlue leadership, and not third-party representation, is in the best interest of our crewmembers.
JetBlue Operations
As of December 31, 2007, we operated more than 550 daily flights and served 53 destinations in 21 states, the Bahamas, the Dominican Republic, Bermuda, Aruba and Mexico. Most of our flights had, as an origin or destination, one of our focus cities: Boston, Fort Lauderdale, Orlando, Long Beach or New York. Our principle base of airport operations was Terminal 6 at John F. Kennedy Airport (JFK). As seen throughout this report, we have designed our community service programs with the goal of having lasting and positive impacts on the individual communities we serve.

LiveTV®, a wholly owned subsidiary of JetBlue, provides live in-flight satellite television, XM Satellite Radio® service, wireless aircraft data communication service, and internet services. Unlike some of our competitors who either do not offer or charge additional fees for premium in-flight entertainment services, the JetBlue experience includes providing LiveTV® for no charge to all our in-flight customers.

Business Honors
In 2007, we received these honors:
- Best Domestic Airline in the Condé Nast Traveler’s Readers’ Choice Awards for the sixth consecutive year
- Highest ranking airline, major domestic airline category in Travel + Leisure’s World’s Best Awards 2007 readers’ survey for a second consecutive year
- Best Domestic Airline for Value in Travel + Leisure’s World’s Best Awards 2007 readers’ survey
- Top major airline in domestic quality in the 17th annual National Airline Quality Ratings and
- Highest ranking in customer satisfaction among U.S. airlines by Consumer Reports National Research Center
- Third consecutive J.D. Power and Associates award for best customer satisfaction

Facilities
JetBlue’s corporate operations are decentralized, with key components in New York, Connecticut, Florida, and Utah. Our distributed work force takes advantage of modern communication technologies to achieve our business goals without requiring a centralized corporate model that would result in increased commuter hours and greenhouse gas emissions — no small issue for a New York-based company. Although our greenhouse gas inventory shows that the eliminated commuter emissions do not have a material impact on our carbon footprint, we believe it has a very large impact on some of our crewmembers, affording them the ability to work from, or at least closer to, home and to enjoy more time with their families and communities.

We lease our corporate and airport facilities — including ticket counters, gate space, operations support areas, baggage service offices, and hangars. In other cases we lease the underlying property but own and occupy the
overlying facilities. Our 102,000 square feet of aircraft line maintenance hangar, office and warehouse space at JFK; 80,000-square-foot flight training and simulation center in Orlando; and 70,000-square-foot facility for our LiveTV® subsidiary in Orlando are owned in this manner. These facilities have minimal impact on our carbon footprint.

**Aircraft**

As of December 31, 2007, we operated a fleet consisting of only two types of aircraft, Airbus A320 (A320) aircraft each powered by two IAE International Aero Engines V2527-A5 engines and EMBRAER 190 (E190) aircraft each powered by two General Electric Engines CF34-10 engines. Operating a limited number of aircraft and power plants makes us more efficient and provides cost savings as maintenance issues are simplified, spare parts inventory requirements are reduced, scheduling is simplified, and training costs are lowered.

Partly as a result of our fleet’s young age and limited variation, our dispatch reliability — which measures if an aircraft is ready to fly when it is supposed to do so (e.g. the percentage of departures that leave within a specified period of a scheduled departure time) — was the best of all U.S. major A320 aircraft operators, a record we hold with pride. As the first airline to take delivery of the E190, we have seen the dispatch reliability of this new aircraft improve significantly since its launch and look forward to future successes.

In 2007, the average age of our aircraft was only 3.1 years, and at more than five years younger than the average, our fleet was the newest of any major U.S. airline. Active management of our fleet to maintain a young average age and a limited number of aircraft and power plants is a key tenet of our greenhouse gas reduction strategy outlined later in this report.

**Maintenance**

Our maintenance program is approved by the Federal Aviation Administration (FAA) and is administered by our Technical Operations department. Consistent with our core value of safety, we use qualified maintenance personnel, have them receive comprehensive training, and maintain our aircraft and associated maintenance records in accordance with FAA regulations.

The bulk of aircraft line maintenance requirements are handled by JetBlue technicians and inspectors and consist of daily checks, overnight and weekly checks, diagnostics, and routine repairs. Other maintenance activity (structural inspection and repair — what the industry calls heavy check — component, and power plant maintenance) is contracted to business partner maintenance, repair and overhaul organizations.
The line maintenance work we perform generates small volumes of non-hazardous and hazardous waste; however, we continually deploy waste minimization practices to reduce the impact of these operations on our environment. Our line maintenance procedures include provisions to reclaim spent jet fuel and oil and oil/fuel filters for metal recovery efforts. These and other waste minimization successes are discussed later in this report. Wastes generated during completion of heavy, component, and power plant maintenance activities are managed by our maintenance, repair, and overhaul business partners.

**Greenhouse Gas (GHG) Emissions**
Active management of our carbon footprint by annually updating our GHG inventory and reflecting on initiatives that can be improved or initiated to realize reductions in GHG emissions is one way we go above and beyond our normal duty to comply with environmental regulations and laws.

**GHG Inventory**
In our 2006 Environmental and Social Report, we provided an inventory of our 2006 GHG emissions. With this report, JetBlue has fulfilled our commitment to commission an independent GHG emissions inventory, and we are disclosing emissions since we began service in 2000 through the current reporting period, 2007. By publishing this data, we can see the trends in our emissions footprint and assess our progress as we start Jetting to Green in 2008.

The updated inventory presented in this report was completed in accordance with international conventions and the best practices established by the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) guidelines. We have included all six GHG constituents identified by the Kyoto Protocol and converted each to a common unit of measure, carbon dioxide equivalents (CO₂e) to account for varying global warming potential among each GHG constituent.
Summary of GHG Inventory
CO₂e emissions produced from the combustion of jet fuel account for more than 99% of our total greenhouse gas emissions; therefore, we have simplified our inventory by focusing on WRI Scope 1 Direct Emissions from the combustion of jet fuel. Because of the huge impact that jet fuel combustion has on an airline’s carbon footprint, this simplification does not have a material impact on the data reported.

At JetBlue, our work and revenue is measured primarily by the customers and cargo transported on our aircraft. Doing more work — allowing more people to travel and transporting cargo farther or more frequently — results in increased GHG emissions. Revenue ton miles (RTMs) — defined as the weight, in tons, of revenue traffic (customer and/or cargo) transported per mile, provides a metric for the work we completed. Calculating an intensity ratio by dividing GHG emissions by RTMs allows us to make a fair comparison of GHG emissions between reporting periods or even between peer companies by considering absolute emissions in the context of work performed.

<table>
<thead>
<tr>
<th>Year</th>
<th>Scope I Direct Emissions (Metric Tons CO₂e)</th>
<th>Revenue Ton Miles (RTM)</th>
<th>GHG Emissions/RTM (Metric Tons CO₂e/1000 RTM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>177,900</td>
<td>100,348,300</td>
<td>1.77</td>
</tr>
<tr>
<td>2001</td>
<td>532,900</td>
<td>329,598,800</td>
<td>1.62</td>
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<tr>
<td>2002</td>
<td>1,020,100</td>
<td>685,956,300</td>
<td>1.49</td>
</tr>
<tr>
<td>2003</td>
<td>1,675,500</td>
<td>1,156,850,500</td>
<td>1.45</td>
</tr>
<tr>
<td>2004</td>
<td>2,326,500</td>
<td>1,576,954,700</td>
<td>1.48</td>
</tr>
<tr>
<td>2005</td>
<td>2,926,900</td>
<td>2,027,586,800</td>
<td>1.44</td>
</tr>
<tr>
<td>2006</td>
<td>3,652,600</td>
<td>2,345,183,000</td>
<td>1.56</td>
</tr>
<tr>
<td>2007</td>
<td>4,290,300</td>
<td>2,588,321,400</td>
<td>1.66</td>
</tr>
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As of December 31, 2007, we had a significant percentage of our total seats in markets open less than 12 months. Following a large growth spurt in 2006 when we opened 16 new cities, we opened an additional five cities in 2007. Three of these cities were later closed as we allocated aircraft to more profitable routes.

JetBlue’s dramatically increased growth rate in 2006 and 2007 and intense competition from legacy and low-cost carriers signaled an evolution from our former business model of stimulating new markets to our current business model of competing with legacy and low-cost carriers for our own growing shares of existing markets.

New markets face a period of maturation during which our aircraft experience lower than optimal load factors. This is a natural consequence of brand development and competition. As customers in each new market become aware of, try, and finally demand the JetBlue experience, our load factors increase with market share. The time required to capture market share resulted in fewer RTM generated for each new market we entered and may have exacerbated our GHG intensity ratio in 2006 and 2007.
Significant market changes have occurred in the world economy and commercial aviation. Our industry continued to decline in 2007. Further contraction has occurred through the publishing date of this report. Recognizing all of this, we are taking a disciplined approach to growth. In 2006, we began selling aircraft as a way to moderate growth. As a result, utilization declined slightly. Because our Environmental and Social Report lags the relevant economic factors, our GHG inventory does not fully incorporate changes due to the contraction in both growth rate and capacity. It is expected that the 2008 and 2009 GHG numbers will show how these variables impact GHG emissions.

**GHG Emissions Management: The Business Case**

In our 2006 Environmental and Social Report we reported three priorities for our GHG management strategy: eliminate, reduce, and offset. We are committed to this three-part strategy and believe, in combination, these measures help make our operations the benchmark of our industry.
Eliminate
While complete elimination of GHG emissions is not feasible given the nature of our business, tangible steps are taken to eliminate certain components of our emissions.

Since the beginning, our employment model has resulted in the elimination of GHG emissions associated with commuting and the operation of commercial office spaces. Our Reservations crewmembers work from their homes, eliminating commuter trips and office facilities that would otherwise be required to accommodate a Reservations call center. By working at home in spaces, already accounted for in their own home carbon footprint, our Reservations crewmembers reduce JetBlue’s overall energy consumption and use of material goods.

While nationwide only a small number of people take public transportation to work, nearly 50 percent of the 900 crewmembers assigned to our Forest Hills, NY, headquarters participate in a program where JetBlue provides transit checks to pay for New York’s widely available and user-friendly public transportation system. JetBlue crewmembers who participate in the program significantly reduce the amount of carbon dioxide emitted to the atmosphere each time they take the bus, subway or commuter rail.

We have and will continue to eliminate additional GHG emissions through reduction and offset programs.

Reduce
In 2007, fuel costs continued to be our largest operating expense due to high average fuel prices. Fuel prices and availability are subject to wide price fluctuations based on geopolitical factors and supply and demand. These facts provide strong incentives for highly accurate and comprehensive fuel inventory management — particularly conservation.

Fleet Management
At JetBlue, we focus on a disciplined fleet management strategy to control the growth, size and age of our fleet. Due primarily to higher fuel prices and an ultra-competitive pricing environment, it was increasingly difficult to fund our growth profitably through 2007.

As in 2006, we continued modifying growth plans in 2007. In March 2007, we amended our A320 purchase agreement, deferring four aircraft deliveries from 2009 to 2012. We also amended our E190 purchase agreement by slowing delivery of aircraft from an average of 18 to 10 aircraft per year. We sold three of our older A320 aircraft and returned another to its lessor.

We believe that operating a newer fleet with the latest technologies makes our aircraft more fuel efficient and dependable, reduces maintenance, and results in a better experience for our customers. Furthermore, older aircraft tend to burn more fuel and produce more emissions than their newer counterparts.
We also work to accommodate projected growth profitably and responsibly. One way to maximize efficiency of our aircraft is to actively manage our routes. As such, we schedule passenger and cargo traffic near capacity; however, we do not employ the overbooking strategies employed by some carriers. By ensuring our aircraft are more fully loaded before adding segments to a market, we maximize the value of our assets and minimize the intensity of our GHG emissions.

While driven by financial pressures and market conditions, our continued commitment to maintaining a properly sized and relatively new fleet has allowed us to maintain a viable business plan that also serves to actively manage GHG emissions.

**Fuel Management**

When crude oil began climbing above $40 per barrel in the second half of 2004, JetBlue’s Fuel Challenge Team was formed to concentrate fuel conservation efforts. As a result of initiatives that have matured over the years, our continued vigilance in conservation efforts, and our new, fuel-efficient fleet, we are already enjoying the fruits of crewmember-driven ideas. We continue to improve our implementation of existing programs and will continue to look for ways to safely reduce fuel burn and GHG emissions.

While many airlines have adopted one-engine taxi procedures for select pilot groups, both JetBlue pilots and technical operations crewmembers routinely use one-engine taxi procedures whenever practical. Our E190 fleet has used one-engine taxi since its inception in 2005. JetBlue created standard operating procedures for one-engine taxi of our A320 aircraft. The adoption of these procedures beyond our pilot groups to include our technical operations crewmembers represents the dedication to environmental responsibility that is part of the JetBlue culture.

One-engine taxis are not always practical due to weather and airport layout; however, thanks to an outstanding commitment by our pilots and technical operations crewmembers, we have enjoyed tremendous success, seeing one-engine taxi implemented on more than half of all flights. At JFK, our largest operation, it was used on 88% of A320 flights and 95% of E190 flights in 2007. Because we experience our most significant delays at JFK, our one-engine taxi success at this location has a multiplier effect that increases the magnitude of the fuel savings and emissions reductions attributed to the practice.

To supplement our one-engine taxi initiative, we aggressively pursue weight reduction initiatives. Additional weight on an aircraft causes it to burn more fuel in the air. These efforts, begun in earnest in 2006 and continued through 2007, have removed hundreds of pounds from each aircraft. Switching to radial tires on the E190 saved 128 pounds per aircraft. Removing six seats from our A320s saved another 490 pounds per aircraft. In 2007, these changes, on top of adjustments to galley provisioning and galley cart weights, saved more than 950,000 gallons of fuel and approximately 9,200 metric tons of GHG emissions.
Just as important as the weight of our loaded aircraft is how they are operated. Continuing to use a lower cost index [the relationship between the time cost of maintenance and crewmembers to the cost of fuel] allows us to conserve fuel on each A320 flight. By changing how the aircraft climbs and descends, and/or its flying speed, we reduced our cost index from 50 to 35. This change added only two minutes to each A320 flight and realized an associated fuel savings of 188 pounds per flight. In contrast and counter to intuition, we learned that increasing the cruise speed of our E190 aircraft increased fuel efficiency. Changes in the above flight procedures resulted in fleet-wide savings of more than 27 million pounds (approximately 4 million gallons) of fuel in 2007 and reduced GHG emissions by just over 38,000 metric tons.

We also strictly limit the use of our aircraft’s auxiliary power units (APU) and rely on electrical ground power and pre-conditioned air units to start aircraft engines, power aircraft systems when parked, and pressurize onboard water systems. Because the use of APUs on the ground is fuel intensive, our practices reduce fuel consumption and reduce our GHG emissions by displacing them to more efficient electrical and air generating units.

Our Technical Operations staff actively manages our minimum equipment work list to maintain the greenest fleet practical. To accomplish this, they log all required maintenance activities and prioritize them so that, after all safety issues are addressed, any remaining issues that may result in a significant impact to fuel efficiency are considered priorities. As an example, if one of the air conditioning packs on an aircraft is not operating correctly, the aircraft maybe used safely and comfortably; however, it must travel at a lower altitude. This results in a slower speed and an increase in fuel consumption. By prioritizing these issues, our fuel use is reduced and fewer GHG emissions are generated.

Other programs and initiatives deployed in 2007 to reduce GHG emissions:
• Deploying state-of-the-art technology to develop efficient routings and reduce flying times
• Operating engine health monitoring systems
• Using high-speed aircraft tractors to move aircraft longer distances rather than using the aircraft’s own, less-efficient engines
• Actively managing our fleet of ground service equipment (GSE) to maintain a young fleet of GSE emits less nitrous oxides, particulates and CO\textsubscript{2}e.

In 2008, we look forward to an increased focus on operational efficiency as we mature many of the weight removal and interior alterations begun in 2007 and look for ways to gain further efficiencies by improving weight and balance issues.
Schedule Management
Maintaining our base of operations in the largest domestic travel market, New York, has been a key aspect of our strategy. The density of commercial services provided in this market has resulted in an area challenged by air quality concerns.

The Clean Air Act requires that any area that does not attain the air quality standards for specific pollutants be designated a non-attainment area for those pollutants. In such cases, state environmental agencies are responsible for the development of state implementation plans (SIPs). The SIP is an air quality plan that explains the actions that will be taken so that the non-attainment area will meet the requirements of the Clean Air Act.

New York City and the metropolitan area that we serve via JFK, LaGuardia Airport [LGA], Newark Liberty International Airport [EWR], Stewart International Airport [SWF] and Westchester County Airport [HPN] comprise one such non-attainment area. Although direct mitigation of air quality concerns surrounding JFK is not within our sphere of influence, we are engaged in planning activities at JFK that will help manage capacity and ultimately may provide an opportunity to positively impact GHG emissions.

Historically, JFK experienced congestion only from the late afternoon to the early evening when international traffic and the domestic traffic that feeds it were at their peak. Summer 2007 was one of the worst periods for flight delays in the New York metropolitan area, principally as a result of airlines’ over-scheduling the capacity of the New York metropolitan airports during certain hours.
During this summer season, we scheduled approximately two-thirds of our JFK flights outside of the traditionally congested period. However, as a result of an increase in total departures, JFK has become increasingly busy throughout the entire day. This results in increased taxi times for us and our competitors as they arrive and depart JFK. As a result, more jet fuel is consumed and more GHG emissions are created — all contributing to the further degradation of air quality.

We are working actively with the Port Authority of New York and New Jersey, or PANYNJ, and the FAA on solutions to ease this congestion and ultimately reduce our GHG emissions.

**Offset**

In 2007, JetBlue began evaluating the benefits and costs of providing a means to allow our customers to offset their travel-related carbon footprint. Our objective was to identify and then select a short list of business partners that could provide reliable carbon offset alternatives to customers that desired such choices. One key to our strategy was to identify a business partner that held similar beliefs and values as we do and would provide carbon offset opportunities that are aligned well with our business goals and corporate culture. We look forward to sharing successes of this partnership in 2008.

**Waste Reduction**

JetBlue’s wholly owned subsidiary, LiveTV®, provides inflight entertainment for our aircraft. In addition to providing additional value to our customers, LiveTV® affords us opportunities to achieve dramatic waste reductions by eliminating the need for an in-flight magazine.

As with any aircraft modification, there are trade-offs. Adding the inflight entertainment equipment adds weight, which requires a nominal increase in fuel which, in turn, results in a nearly negligible increase in GHG emissions from the combustion of that fuel. However, the inflight entertainment system also results in more satisfied customers and is an important aspect of our strong brand. Considering the environmental footprint of LiveTV®, we estimate we eliminate the need for over 400,000 inflight magazines annually. This would be a stack of magazines over 1.6 miles high.
Additional Waste Reduction and Recycling Initiatives

Headset Initiative
Before 2007, we gave our customers $3 million worth of complimentary, disposable headsets each year. This generated a lot of waste. To help reduce costs and waste in 2007, we began encouraging customers to bring their own headsets. Except for discarded headsets purchased in-flight by our customers, we will substantially reduce this waste stream in 2008. We estimate our new practice will eliminate 8 million sets of disposable headsets that would otherwise have been placed in landfills each year.

Recycling
Since our operations began in 2000, JetBlue’s domestic trash generated at JFK has been sorted and recycled by our business partner Royal Waste Services Inc. The commingled trash is removed from JFK’s Terminal 6 and the Forest Hills Support Center and then transported to the Royal Waste Services facility in Jamaica, NY. There, the material is separated into various categories, including glass, metal, plastic, paper, newspaper, magazines, and compost. The piles are then baled for transport to paper mills and recycling centers. Royal Waste Services removes about 80% of the recyclable material from the waste stream, significantly reducing the amount of material placed in landfills.

Royal Waste Services chooses to sort our trash for economic incentives and because they have made a commitment to protect our natural resources. As our business partner, Royal Waste Services continues to implement programs designed to sustain a greener environment, including the development of our fuel and oil recycling program at JFK. At JFK, our focus on spent jet fuel and oil and oil/fuel filters has allowed us to recycle approximately 1,500 gallons of fuel and oil and about 600 pounds of steel each month. We hope to expand this program to line maintenance at other stations.

JetBlue intends to continue to develop recycling programs that will allow crewmembers to presort and recycle much of our trash before it leaves our facilities. We believe these efforts will further reduce the waste sent to landfills while reducing our costs as well. We expect to develop these programs in our other cities.

Noise
We appreciate the fact that aircraft noise can have a negative impact in localized areas of the communities we serve. The noise characteristics of our advanced fleet of A320s and E190s help minimize this impact.

We are subject to various federal, state and local laws relating to the protection of the environment, including the regulation of aircraft noise, which are administered by numerous state and federal agencies. The Airport Noise
and Capacity Act of 1990 recognizes the right of airport operators with special noise problems to implement local noise abatement procedures as long as those procedures do not interfere unreasonably with the interstate and foreign commerce of the national air transportation system.

Certain airports, including San Diego and Long Beach, CA, have established restrictions to limit noise, which can include limits on the number of hourly or daily operations and the time of such operations. Our scheduled flights at Long Beach and San Diego are in compliance with the noise curfews. At times, our flights are subject to rerouting, or landing/take-off delays mandated by air traffic control can result in irregular operations. Some of these irregular operations may result in a violation of our curfews. We have agreed to a payment structure with the Long Beach City Prosecutor for any curfew violations, which we pay quarterly to the Long Beach Public Library Foundation and are based on the number of infractions in the preceding quarter.

**Wildlife Management**

Airports often comprise large tracts of land suitable for wildlife habitat – often in large cities that have or are in the process of encroaching on nearby and increasingly strained or vanishing habitat. The habitat provided by airport property — particularly on coastal or inland waters — represents an important intersection between commercial aviation and our ecological environment, particularly bird and water fowl habitat. Bird strikes by aircraft may result in expensive aircraft repairs and potential flight delays. They are unpredictable but highly manageable. They also provide a unique opportunity for JetBlue to actively participate in urban wildlife habitat management and improvement projects.

JetBlue was one of the first domestic airlines to recognize the value of bird strike data and to voluntarily formalize a program to address the issue in every city it serves — even if the local airport authority did not require bird strike reporting. Following each event, JetBlue coordinates with the FAA and the Smithsonian Institution to identify species. In this manner, we provide direct data to local wildlife biologists charged with identifying resident species and improving and safeguarding their habitat.

Not only was JetBlue one of the first domestic airlines to recognize the importance of voluntary bird strike reporting, we have embraced it fully. Our work has not gone unnoticed. The Smithsonian Institution has recognized JetBlue’s reporting program as the most successful in the nation.
Safety and Security
We are dedicated to ensuring the safety and security of our customers and crewmembers. We have taken numerous measures, voluntarily and as required by regulatory authorities, to increase both the safety and security of our operations.

Safety
Our ongoing focus on safety relies on hiring caring and passionate people, training them to applicable standards, and providing them with appropriate tools and equipment. We also provide extensive training for our pilots, flight attendants, technicians, airport agents, dispatchers, and reservation agents, emphasizing the importance of safety. Safety in the workplace targets five areas of our operation: flight operations, maintenance, in-flight, dispatch, and customer service.

We emphasize both occupational and environmental safety across our network. Since introducing enhanced physical abilities testing for those workgroups at greatest risk of ergonomic injuries, we have seen significant year-over-year decreases in Occupational Safety and Health Administration (OSHA) recordable injuries and the related injury rate. Additionally, JetBlue has joined with other airlines and OSHA in voluntary partnerships focused on reducing ergonomic injuries and improving airport ramp safety.

We continue to expand our participation in voluntary programs in partnership with the FAA, including Aviation Safety Action Programs (ASAP) and Flight Operational Quality Assurance (FOQA) data gathering. These voluntary programs are the result of FAA-sponsored initiatives to raise safety performance through awareness of safety trends in the workplace.

Security
The Aviation and Transportation Security Act, or the Aviation Security Act, was enacted in November 2001 and federalized substantially all aspects of civil aviation security. The Aviation Security Act required, among other things, the creation of the Transportation Security Administration, or the TSA, to oversee all aviation security and the implementation of certain security measures by airlines and airports, such as the requirement that all customer bags be screened for explosives. We comply with all TSA security requirements.

We have voluntarily implemented additional security measures, including the installation of four cabin security cameras on each A320 aircraft with a live video feed to the cockpit that provides real-time situational awareness. We have instituted a 24-hour security operations desk, Blue Watch, which assesses and manages threats, records and monitors suspicious activity within the JetBlue operating system, and serves as a prime communications channel between us and our law enforcement and aviation security business partners.
Improved Customer Commitment

In the first quarter of 2007, we were negatively impacted by an ice storm that hit the New York metropolitan area and caused the cancellation of about 1,200 flights over a six-day period. After our recovery from the storm, we implemented a multiphased strategy to improve our overall operating reliability, allow our crewmembers to better handle irregular operations (which includes pre-emptive cancellations for severe weather), and improve customer communications.

We strive to communicate openly and honestly with customers about delays, especially when weather or mechanical problems disrupt service. We further demonstrated our industry-leading commitment to our customers with the introduction of the JetBlue Airways Customer Bill of Rights, which provides for compensation to our customers who are inconvenienced by service disruptions within our control and commits us to perform at high service standards, holding us accountable if we do not. Unlike most other airlines, we have a policy of not overbooking our flights.

Our customer commitment is also demonstrated by our reliable operational performance. For the year ended December 31, 2007, based on our data compared to the other major U.S. airlines:

- Because we have a policy of not overbooking our flights, we had virtually no incidences of customer denied boarding and, therefore, led the industry in this Department of Transportation (DOT) metric.
- We are committed to operating flights whenever possible and not canceling. However, operating out of JFK, one of the most congested and delay-prone airports in the U.S., affected both our completion factor, which was 98.1% compared to an average of 97.9% by all major U.S. airlines, and our on-time performance, which at 70.1% was lower than all but five major U.S. airlines.
- Our incidence of delayed, mishandled or lost bags of 5.23 per 1,000 customers was the third lowest when compared to other major U.S. airlines, which had an average of 7.12 delayed, mishandled or lost bags per 1,000 customers, according to the DOT.
- Our rate of customer complaints to the DOT per 100,000 customers of 0.78 was the fifth lowest compared to the other major U.S. airlines, which had an average of 1.41 complaints, according to the DOT.

We believe that we have emerged from 2007 a better airline through these strategic changes, which also contributed to our improved operating results.
Social Responsibility
Promoting a caring environment and treating our crewmembers, customers, and communities respectfully is important to us. In addition to conducting business fairly and with respect, we strive to engage our crewmembers and communities to promote a passion for their careers, environment, and communities.

Crewmember Connections
We devote a great deal of time and attention to hiring crewmembers that will treat customers and other crewmembers in a friendly and respectful manner. Our hiring process is rigorous and includes behavioral interviews and peer assessments. We carefully select, train and maintain a flexible and diverse workforce of caring, passionate, fun, and friendly people who want to provide our customers with the best flying experience possible.

We assist our crewmembers by offering them flexible work hours, initial paid training, a uniform allowance and benefits. Our senior management actively participates in leadership training for all supervisors and managers; this training helps ensure that we have the right leaders in place across our organization to maintain our unique company culture and commitment to our customers.

Effective and frequent communication throughout the organization is fostered through periodic crewmember satisfaction surveys, a quarterly crewmember magazine, active leadership participation in new hire orientations, and monthly open meetings, called “pocket sessions.”

Our pocket sessions are attended by senior managers who adopt a city and commit to visiting our crewmembers at their adopted cities three to four times a year. Every JetBlue city is included in this program. During each pocket session, our managers discuss the state of our business and economy and use the time as a forum to personalize important business or market information for our crewmembers. A question-and-answer period concludes each meeting.

An important part of our business plan is to reward our crewmembers by providing them with the ability to align their personal successes with those of JetBlue. Our compensation packages include competitive salaries, wages and benefits, and a crewmember stock purchase plan. We review our compensation packages on a regular basis to ensure that they are competitive, which allows us to hire and retain the best crewmembers possible.
Community Connections

Connections. In the airline industry, the word carries a specific connotation. But at JetBlue Airways, it means a whole lot more.

At JetBlue, community connections means getting our communities involved in our programs as much as involving ourselves in the communities we serve. When we engage the community as an active member of our programs, we leverage our own actions by many multiples, creating a result that is much greater than the sum of its parts. A cliché, maybe, but true nonetheless.

We connect with the communities where we live and work through innovative and meaningful programs that create opportunities for every JetBlue crewmember to give back.

Some of our connections — like our partnership with Kaboom! — make a big splash in the communities where we have a major presence. Others are quieter efforts that involve our people in programs that reach students across the country. Additional campaigns put dollars and airline tickets to work in ways that can change lives.

At JetBlue, we’re proud of the impact we’re having across the nation, in our major markets and within each community where our crewmembers live and work. And we have plans for more.
Big Connections
When we enter a new market, our goal is always to make a big splash, allowing us to create an immediate and sustainable connection with the people who work and live there. For example, when JetBlue began service to Chicago and San Francisco in 2007, we wanted to connect with these cities in ways that mattered to our new customers. We did our homework. We found critical issues that were important to our customers, and we developed programs that did more than sell tickets. They gave us connections.
Chicago Books It
Education and literacy are top issues for Chicago residents. The inner city schools, like those in most urban centers, face challenges. One of the difficulties educators face is simply getting books in the hands of children. That’s why JetBlue decided to work with First Book, a nonprofit organization with a mission to provide books to children from low-income families, to help meet that need.

For every customer that booked a flight from Chicago during the opening month of January 2007, we donated $1 to First Book, which provides age-appropriate books for children to own and read. At the end of the month, we provided more than 13,000 books to schoolchildren in Chicago. Considering a typical U.S. elementary school library’s collection might include about 11,000 books, this effort represents nearly an entire library that did not previously exist, thanks to our customers.

Helping to Feed San Francisco
Hunger touches a large portion of residents in the San Francisco Bay Area. Food banks have critical needs year-round. So when JetBlue expanded into this market, we conducted a food drive for the food banks in two area communities we serve — San Francisco and Oakland.

For every ticket purchased during our opening month into or out of San Francisco, JetBlue donated $1 to the San Francisco and Alameda County food banks. In the end, we donated $80,000, split between the two organizations. At the San Francisco Food Bank, each dollar of donations is leveraged and actually allows the purchase of nearly $9 worth of food. The Alameda County Community Food Bank estimated the donation provided 240,000 meals — again, thanks to our customers.
Fun Connections
Connecting to the communities where we have major operations is a key focus of our efforts. Our people are our face to the world, whether they are at work or in the communities where they live. The programs we support are designed to combine the funding we provide and the service of our crewmembers to multiply the impact of everyone’s contribution.

Playgrounds bring people together, and Kaboom! is all about playgrounds. Our partnership with the national nonprofit began in 2006. With a goal of having a great place to play within walking distance of every child’s home, Kaboom! has developed a model that engages our crewmembers with community partners to make fun happen.

In 2007, JetBlue crewmembers led three playground “builds,” which are the coordinated programs to plan, design and construct a playground. The efforts of 100 to 150 JetBlue volunteers and 75 to 100 community volunteers were combined over the course of a planning period, site preparation activity, and a single day of work for installing play equipment in New York, Boston and Long Beach, CA, neighborhoods. At each site, we work with a local community organization that also invests in the project by supplying volunteers and committing to maintain the playground. By teaming with KaBoom! and these local community organizations, JetBlue’s contributions supply lasting change.

University Row, University of Vermont
Community Connections

Not every JetBlue location, of course, has the quantity of crewmembers necessary to execute a major community event. There are many other ways that smaller employee groups or individuals can contribute as well. We support diverse programs that involve our crewmembers on both a corporate and personal level. Among the connections we’ve made:

- We encourage crewmembers in as many as 20 cities each year to participate in fundraising for the American Cancer Society through its national Making Strides Against Breast Cancer walk program. We also contribute airline tickets to the organization’s Pacesetter program, which encourages walk volunteers to raise $2,500 or more.

- Crewmembers are supported in various efforts to reach into their communities through programs that matter to them. The example starts at the top. CEO Dave Barger is on the board of The League, a New Jersey-based organization that supports youth involvement in philanthropy. He also takes part in Pencil’s Principal for a Day program, which puts business leaders in schools to build relationships with public school principals and students. The goal is for the participants to experience first-hand the accomplishments of and challenges facing New York City’s public schools.

- As a partner in The Blue Project, JetBlue joined the Kerzner Marine Foundation, The Nature Conservancy, Bahamas National Trust and Bahamas Reef Education Environmental Foundation to raise awareness of the challenges threatening coral reefs. The initial efforts in the Bahamas use blue buoys to identify protected sites to boaters, divers and snorkelers.

- In 2007, JetBlue supported more than 1,100 charities with donations of tickets to aid them in their work. Recipients ranged from schools and PTAs to hospitals and other local organizations that reach out to us. These grassroots efforts are important to us as we strive to balance our national impact with making a difference on a local level.
• Local efforts can themselves reach a long way from our corporate headquarters. Our fleet includes aircraft manufactured by Embraer in Brazil. With each of the initial 100 planned purchases, JetBlue is contributing $10,000 to a trust fund for graduates of a high school funded by Embraer. The funds, which students repay after graduation, cover living expenses while they attend public universities.

Emil Lopez
Class of 2005
(First Christopher Columbus High School graduating class.)

• JetBlue supports more than 90 charities per month in the cities we serve. We do this through WECARE donations. These donations usually consist of roundtrip vouchers the organization can use for fundraising. We receive more than 100 requests per week and every request is carefully reviewed. We ensure the organizations we support are in line with our values.

• Inner-city students in New York can broaden their horizons to include the University of Vermont (UVM) through JetBlue. The program, begun by one of our founders, an alumnus, helps the university bring more diversity into its student body, as potential students are able to consider a school that likely wouldn’t have been within the realm of possibility. Inspired by UVM’s outstanding partnership with Christopher Columbus High School (CCHS), JetBlue committed to enriching UVM’s wildly successful Burlington-Bronx connection by committing to provide tickets for CCHS students to visit the UVM campus. Additionally to alleviate some of the financial burdens, JetBlue contributes $50,000 annually in scholarship support for CCHS graduates choosing to attend UVM.

DaVaughn Vincent-Bryan
Class of 2008

• We are a participant in the Civil Reserve Air Fleet Program which permits the U.S. Department of Defense to use our aircraft during national emergencies when the need for military airlift exceeds the capability of military aircraft.
Future Connections: T5
For nearly four decades, JFK’s Terminal 5 (T5), commonly known as “the TWA terminal,” served as one of the most important and symbolic gateways to travel in the United States. Millions of travelers flowed through the modernist terminal, which architect Eero Saarinen designed to be a physical symbol of air travel. Undoubtedly, many consider Saarinen’s terminal with the same admiration of earlier New York transportation landmarks such as Grand Central Station. Saarinen’s design has been described to evoke the romance and excitement of flight. Come to think of it — so has the JetBlue experience.

JetBlue is honored to incorporate this icon into our own culture and our future. The Saarinen building was granted city landmark status, which means it cannot be significantly altered in any way. In August 2004, we announced our plans to build a new home adjacent and connected to the “winged” terminal.

In November 2005, we entered into lease agreement with the Port Authority of New York and New Jersey for the construction and operation of a new terminal at JFK, which we believe will enable us to better serve our customers and expand the JetBlue experience. As 2007 closed, we were nearing completion of our new 26-gate passenger terminal, T5.
2007 Environmental and Social Responsibility Report

http://www.jetblue.com/green