



International Consolidated Airlines Group

General Meeting of Shareholders

Madrid, 15 June 2023

Javier Ferrán, Chairman

Dear Shareholders,

On behalf of the entire Board of Directors of IAG, I would like to welcome you to this Annual General Meeting.

It is a great satisfaction to be able to meet again in person, as we were able to do last year.

This is yet another sign that things are returning to a certain normality, which is also true in our operations.

As you all know, the last three years have represented the most difficult time for our industry.

However, on the positive side, we also know that these years have been a good reminder of the importance of aviation. The pandemic has taught us that society needs aviation.

Therefore, our work is relevant, I would even say fundamental for many people.

We should therefore be proud of the impact our contribution has both for the people and societies in which we operate.

Aviation is a vital driver of wealth creation, employment, and cultural and economic growth.

Today, I am pleased to report to you as shareholders of the company that IAG has continued to recover capacity, improve our financial performance, reinforce our teams, and our operations in 2022 and we have continued to advance in our purpose: to connect people, businesses and countries around the world.

The Group's over 66,000 people have played a key role in this recovery.

To all of them, I would like to say thank you for their commitment and decisive contribution.

I would like to stress that the sharp increase in our capacity, reaching pre-pandemic levels in the last part of the year for some of our airlines, it was unprecedented.

However, we have been able to overcome each and every challenge we have encountered thanks to the extraordinary commitment of everyone at IAG.

So today, in addition to thanking them, I would also like to reiterate my full confidence in all our teams.

I am confident that, working together, we will succeed in meeting the expectations of all those who fly with us.

And while we are aware of the complexity of the aviation ecosystem, at IAG we are working hard to provide our airlines with a stable and robust operation as we want to give our customers the best experience.

As we have commented on previous occasions, at IAG we are laying the foundations to emerge stronger after this critical period for us.

However, our recovery is taking place in a global economic context that still presents many uncertainties.

We are therefore aware that, more than any other industry, we will always have to adapt and evolve quickly.

After a difficult start in 2022 due to the Omicron variant, in the second half of the year, pent-up demand attracted more people to the skies and this has allowed us to return to profitability for the first time in three years and we have started to reduce our debt.

But we still have many opportunities ahead of us. We know we must continue to transform our business to make it more efficient and profitable. We are doing this with the confidence that comes from the positive results of the last financial year.

We are also demonstrating that it is possible to do this in a sustainable way, with all our stakeholders in mind.

For us, sustainability and making a positive contribution to society are two priority elements on which we want to base our development.

That is why, we continue to invest in decarbonisation.

And we maintain our ambition to be an industry leader in developing initiatives to achieve the transition to a low-carbon future.

In this respect, let me list some important milestones that took place during the past year.

In 2022, we signed agreements with Airbus and Boeing to acquire new aircraft that will reduce emissions by up to 20 per cent.

In addition, we have increased funding for future sustainable aviation fuels (SAF) purchases and investments to more than USD 865 million. In this way, we continue to make progress on our commitment to meet at least 10 per cent of our fuel needs with SAF by 2030.

Another important event last year was our first ESG Day, where we were able to present our sustainability strategy as well as our diversity and inclusion initiatives to the financial community.

It is worth noting that this was the first event on ESG issues organised by a major European airline.

Finally, at the end of the year, we received an A rating from the Carbon Disclosure Project.

We are particularly proud of this recognition, as we are one of only two airlines in the world to have obtained this qualification, and we are the only European airline to do so.

In addition, we are the only airline group to be awarded a double A also receiving an A grade for our Supply Chain activity.

We are also the joint highest-ranked airline group in the Transition Pathway Initiative ratings.

On Equality, Diversity and Inclusion issues, I would like to refer to the update of our Group Policy.

A review that aims to enhance the framework that was established in 2021.

A commitment that also carries over to our airlines where we are implementing a variety of initiatives to support these issues.

In particular, I would like to highlight the work we are doing to increase the presence of women in management positions throughout the Group.

Our goal is to have 40 per cent women in management positions by 2025.

In the last financial year, we ended up with 34 per cent.

We are also proud to have 45 per cent female representation on the Board, a woman as Senior Independent Director, and three of our Board advisory committees being chaired by female directors.

In doing so, we are complying with the applicable European and Spanish standards, as well as those of the UK.

In addition, in 2022, IAG complied with all applicable recommendations of the CNMV's Good Governance Code.

Finally, I would like to thank our employees, our customers and our shareholders.

Thank you for your confidence and thank you for your support in these unique years we have had to face.

We can only reiterate our commitment to boosting and transforming our industry so that flying remains an engine of the economy and a source of social value creation.

Because travelling is a source of enrichment, both personal and collective. It is a way of understanding other ways of thinking, other ways of living and other cultures.

Thank you very much.