

International Consolidated Airlines Group, S.A.

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

[Terms of disclosure for corporate questionnaire 2024 - CDP](#)

Contents

C1. Introduction.....	8
(1.1) In which language are you submitting your response?	8
(1.2) Select the currency used for all financial information disclosed throughout your response.	8
(1.3) Provide an overview and introduction to your organization.	8
(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.....	9
(1.4.1) What is your organization's annual revenue for the reporting period?	10
(1.5) Provide details on your reporting boundary.	10
(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?	10
(1.7) Select the countries/areas in which you operate.	12
(1.8) Are you able to provide geolocation data for your facilities?	12
(1.21) For which transport modes will you be providing data?	13
(1.24) Has your organization mapped its value chain?	13
(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?	14
C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities	16
(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?	16
(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?	17
(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?	18
(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.....	18
(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?	22
(2.3) Have you identified priority locations across your value chain?	23
(2.4) How does your organization define substantive effects on your organization?	24
(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?	25
C3. Disclosure of risks and opportunities	27
(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?.....	27

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.	28
(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?	55
(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?	56
(3.5.1) Select the carbon pricing regulation(s) which impact your operations.	56
(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.	56
(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?	59
(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?	60
(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.	61

C4. Governance 65

(4.1) Does your organization have a board of directors or an equivalent governing body?	65
(4.1.1) Is there board-level oversight of environmental issues within your organization?	66
(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.	67
(4.2) Does your organization's board have competency on environmental issues?	69
(4.3) Is there management-level responsibility for environmental issues within your organization?	70
(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).	71
(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?	81
(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).	82
(4.6) Does your organization have an environmental policy that addresses environmental issues?	90
(4.6.1) Provide details of your environmental policies.	91
(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?	92
(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?	93
(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?	95
(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.	102

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?	110
(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.	110

C5. Business strategy 116

(5.1) Does your organization use scenario analysis to identify environmental outcomes?	116
(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.	117
(5.1.2) Provide details of the outcomes of your organization's scenario analysis.	124
(5.2) Does your organization's strategy include a climate transition plan?	125
(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?	127
(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.	128
(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.	130
(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?	131
(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.	132
(5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.	134
(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.	138
(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?	139
(5.5.8) Provide details of your organization's investments in low-carbon R&D for transport-related activities over the last three years.	140
(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?	142
(5.10) Does your organization use an internal price on environmental externalities?	143
(5.10.1) Provide details of your organization's internal price on carbon.	143
(5.11) Do you engage with your value chain on environmental issues?	151
(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?	152
(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?	152
(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?	153
(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.	154
(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.	156

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.	161
(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.	164
(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?	190
C6. Environmental Performance - Consolidation Approach	192
(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.....	192
C7. Environmental performance - Climate Change.....	194
(7.1) Is this your first year of reporting emissions data to CDP?	194
(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?.....	194
(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?	194
(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.	195
(7.3) Describe your organization's approach to reporting Scope 2 emissions.	195
(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?	196
(7.5) Provide your base year and base year emissions.	196
(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO ₂ e?	203
(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO ₂ e?	204
(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.	205
(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.	215
(7.9) Indicate the verification/assurance status that applies to your reported emissions.	217
(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.	218
(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.	219
(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.	221
(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?	223
(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.	223
(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?	226
(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?	226

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?	226
(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).	227
(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.	228
(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.	229
(7.17.1) Break down your total gross global Scope 1 emissions by business division.	229
(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.	229
(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.	229
(7.20.1) Break down your total gross global Scope 2 emissions by business division.	230
(7.21) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.	230
(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.	230
(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?	232
(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.	232
(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?	261
(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?	262
(7.29) What percentage of your total operational spend in the reporting year was on energy?	263
(7.30) Select which energy-related activities your organization has undertaken.	263
(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.	263
(7.30.6) Select the applications of your organization's consumption of fuel.	265
(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.	266
(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.	269
(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.	273
(7.36) Provide any efficiency metrics that are appropriate for your organization's transport products and/or services.	275
(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.	277
(7.51) What are your primary intensity (activity-based) metrics that are appropriate to your emissions from transport activities in Scope 1, 2, and 3?	278
(7.52) Provide any additional climate-related metrics relevant to your business.	280
(7.53) Did you have an emissions target that was active in the reporting year?	284
(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.	284

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.	309
(7.54) Did you have any other climate-related targets that were active in the reporting year?	322
(7.54.3) Provide details of your net-zero target(s).....	322
(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.	325
(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.	325
(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.	326
(7.55.3) What methods do you use to drive investment in emissions reduction activities?	328
(7.73) Are you providing product level data for your organization's goods or services?	330
(7.74) Do you classify any of your existing goods and/or services as low-carbon products?	330
(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.	330
(7.75) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.	332
(7.79) Has your organization canceled any project-based carbon credits within the reporting year?	333

C9. Environmental performance - Water security..... 334

(9.1) Are there any exclusions from your disclosure of water-related data?	334
(9.1.1) Provide details on these exclusions.	334
(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?	335
(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?	339
(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.	342
(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?	342
(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?	343
(9.5) Provide a figure for your organization's total water withdrawal efficiency.	343
(9.12) Provide any available water intensity values for your organization's products or services.	343
(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?	344
(9.14) Do you classify any of your current products and/or services as low water impact?	345
(9.15) Do you have any water-related targets?	345

(9.15.3) Why do you not have water-related target(s) and what are your plans to develop these in the future?.....	345
C10. Environmental performance - Plastics	347
(10.1) Do you have plastics-related targets, and if so what type?	347
(10.2) Indicate whether your organization engages in the following activities.	347
(10.5) Provide the total weight of plastic packaging sold and/or used and indicate the raw material content.	350
(10.5.1) Indicate the circularity potential of the plastic packaging you sold and/or used.....	351
(10.6) Provide the total weight of waste generated by the plastic you produce, commercialize, use and/or process and indicate the end-of-life management pathways.	351
C11. Environmental performance - Biodiversity	353
(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?	353
(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?	353
(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?	354
C13. Further information & sign off	356
(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?	356
(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.	356
(13.3) Provide the following information for the person that has signed off (approved) your CDP response.	357
(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.....	357

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☒ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☒ EUR

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☒ Publicly traded organization

(1.3.3) Description of organization

International Airlines Group (IAG) is one of the world's largest airline groups and consists of leading airlines in Spain, the UK and Ireland - British Airways, Iberia, Vueling, Aer Lingus and LEVEL. In 2023, IAG operated to more than 250 destinations and carried more than 115 million passengers, the Group had revenues of 29 billion and employed 71,000 people at the end of the year. Our vision is to be a leading airline group on sustainability, and we are making great progress towards that vision. In 2019, IAG was the first airline group in the world to commit to achieving net zero CO2 emissions by 2050 and subsequently in 2021 became the first airline group to extend this commitment to our supply chain (Scope 3 emissions). IAG was also the first European airline to commit to 10% sustainable aviation fuels (SAF) by 2030. The IAG SAF commitment equates to approximately 1 million tonnes of fuel in 2030 and represents a 100-fold increase in SAF volumes between 2022 and 2030. Since 2019 we have been annually publishing our 30-year emissions roadmap to net zero, have clear climate targets for 2025 and 2030, and were an early adopter of TCFD scenario analysis which we now repeat annually. More than 7,500 managers across the group have climate-related targets within their incentive plans and since 2019 we have been supporting and investing in companies pioneering low- carbon innovation via our accelerator programme Hangar 51. Our achievements have been recognised as industry leading. Only 4 CDP 'A-List' grades have been awarded to airlines in the past six years, and IAG is proud to have received 2 of these, including one awarded in 2022 which placed IAG in the top 3% of global respondents. IAG has maintained 'leadership status' under CDP for the past four years, the longest of any airline group. IAG was also the highest ranked airline in the Transition Pathway Initiative (TPI) rankings in 2022, which assess almost 600 companies on their readiness for a low-carbon economy. IAG uses its scale, influence and track record to not only transform our business - but through

our work with peers, suppliers and policymakers - drive the system-wide change required to create a truly sustainable aviation industry. For example, following our pioneering net zero commitment, IAG was active in working with other stakeholders to secure net zero by 2050 commitments for UK aviation, European aviation, the Oneworld global airline alliance, and IATA. Over 290 airlines committed to net zero within two years of IAG's pledge. We were delighted that in October 2022 the UN agency ICAO also committed to net zero aviation for 2050. Similarly, in the wake of our 10% SAF commitment, we worked to secure similar commitments from the Oneworld global airline alliance, the World Economic Forum's Clean Skies for Tomorrow coalition, and the UK government. We are now working with our partners to accelerate SAF production and secure supportive government policy. We continue to proactively work through multiple different trade associations to help shape effective national, regional and international climate-related policy. This response contains more detail on our climate impacts and areas of climate action within our business.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☒ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☒ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☒ 1 year

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☒ 1 year

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☒ 1 year

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

29453000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☒ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

ES0177542018

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☒ Ireland

☒ Spain

☒ United Kingdom of Great Britain and Northern Ireland

(1.8) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
	<i>Select from:</i> ☒ No, we do not have this data and have no plans to collect it	

[Fixed row]

(1.21) For which transport modes will you be providing data?

Select all that apply

☒ Aviation

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☒ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☒ Upstream value chain

☒ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☒ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

- ☒ All supplier tiers known have been mapped

(1.24.7) Description of mapping process and coverage

IAG Global Business Services (IAG GBS) engages with, supports and monitors suppliers to ensure all products and services provided to IAG are on a path to net zero by 2050. The IAG GBS Group Procurement team leads the Supply Chain Sustainability Programme by delivering in four key areas: The Supplier Code of Conduct (SCoC); Independent risk screening and sustainability assessments; Corporate Social Responsibility (CSR) Audits; and Embedding sustainability as standard in the procurement process. To help map out IAG's supply chain, IAG GBS uses EcoVadis, a market-leading provider of business sustainability ratings, to assess supplier scorecards with a comprehensive methodology covering environment, labour and human rights, ethics and sustainable procurement. IAG also became a SEDEX member in 2023, which provides data insights to help companies improve ESG performance. All suppliers undergo annual compliance screening for any legal and financial risks. The Group Procurement and Compliance teams assess any suppliers identified as having potentially higher levels of risk and implement mitigation plans where necessary. Any issues are flagged to the risk owners within the Group to jointly take appropriate action.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

- ☒ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

(1.24.1.2) Value chain stages covered in mapping

Select all that apply

- ☒ Downstream value chain
☒ End-of-life management

(1.24.1.4) End-of-life management pathways mapped

Select all that apply

- ☒ Recycling
 - ☒ Incineration
 - ☒ Landfill
- [Fixed row]*

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

2

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Under the Enterprise Risk Management (ERM) framework, IAG assesses the potential impact of principal risks over the next two years against our business plan. IAG considers risks to the Strategic Business Plan over the short term up to two years, medium term from three to five years and in the longer term beyond five years.

Medium-term

(2.1.1) From (years)

2

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The Group strategic planning period is three years. The medium term time horizon is considered to three to five years.

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

☒ No

(2.1.3) To (years)

27

(2.1.4) How this time horizon is linked to strategic and/or financial planning

For climate risk assessment IAG looks at a range of timescales including up to 2030 and 2050. In 2023, 2050 was 27 years away. Group-wide emerging risks are considered as they are identified, in addition to key threats and trends faced by the industry over a timeframe beyond the business plan period. Longer term considerations are assessed in parallel with the near-term priorities and adaptations required by the Group.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☒ Yes	Select from: ☒ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☒ Yes	Select from: ☒ Both risks and opportunities	Select from: ☒ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☒ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☒ Impacts

☒ Risks

☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain

(2.2.2.4) Coverage

Select from:

- ☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

- ☒ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- ☒ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- ☒ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

- ☒ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- ☒ Not location specific

(2.2.2.12) Tools and methods used

Enterprise Risk Management

- ☒ Enterprise Risk Management
- ☒ Other enterprise risk management, please specify :TCFD assessments

International methodologies and standards

- ☒ Other international methodologies and standards, please specify :IEnvA Assessments

Other

- ☒ Materiality assessment
- ☒ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

- ☒ Cyclones, hurricanes, typhoons
- ☒ Flood (coastal, fluvial, pluvial, ground water)
- ☒ Heavy precipitation (rain, hail, snow/ice)
- ☒ Storm (including blizzards, dust, and sandstorms)

Chronic physical

- ☒ Changing precipitation patterns and types (rain, hail, snow/ice)
- ☒ Changing temperature (air, freshwater, marine water)
- ☒ Changing wind patterns

- ☒ Increased severity of extreme weather events
- ☒ Temperature variability

Policy

- ☒ Carbon pricing mechanisms
- ☒ Changes to international law and bilateral agreements
- ☒ Changes to national legislation
- ☒ Other policy, please specify :Demand side reductions not based on emissions

Market

- ☒ Changing customer behavior

Reputation

- ☒ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)
- ☒ Stigmatization of sector

Technology

- ☒ Transition to lower emissions technology and products
- ☒ Unsuccessful investment in new technologies

Liability

- ☒ Exposure to litigation
- ☒ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- | | |
|---|---|
| ☒ NGOs | ☒ Regulators |
| ☒ Customers | ☒ Local communities |
| ☒ Employees | |
| ☒ Investors | |

☒ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☒ No

(2.2.2.16) Further details of process

IAG focuses its sustainability strategy on addressing material issues: those which are most important to key stakeholders and which have the biggest external impacts. To identify these issues over a three-year timeframe and to 2030, IAG repeated a materiality assessment in 2021 which was facilitated by an independent third party. External stakeholders included investors, corporate customers, policy makers, trade associations, fuel suppliers, airports, and NGOs. Internal stakeholders included IAG Board members, all IAG Management Committee members, and operating company sustainability representatives. The results inform ongoing disclosures and strategy. In our 2021 materiality assessment, tackling climate change was identified as the most material impact in the long-term. In the short-term, as the business recovers from the COVID-19 pandemic, profitability and customer and employee engagement and wellbeing remain high priorities. Risks to the business include preparedness for future regulation and working with our suppliers. Opportunities identified included investing in the future, particularly through the use of sustainable aviation fuels in our operations and in new aircraft which can help reduce the company's exposure to future noise and emission regulations. Sustainability risks are also captured under Group Enterprise Risk Framework, as set out in the ERM policy, which has been approved by the Board. This comprehensive risk management process and methodology ensures a robust identification and assessment of the risks facing the Group, including emerging risks. The risk management framework is embedded across the Group businesses. Enterprise risks are defined as any risk that could impact the Strategic Business Plan (above a threshold). They are assessed and plotted on an enterprise risk heatmap, based on probability and impact. Emerging risks are monitored within the overall risk framework as 'on watch' until they are re-assessed to be no longer a potential threat to the business or where an assessment of the risk impact over the next two to three years can be made, and appropriate mitigations can be put in place, or the risk becomes a principal risk. Other high-impact, low-likelihood risks have been discussed. This process is led by the Management Committee supported by the ERM function. Risk heatmaps for each operating company and central function are reviewed by each operating company's management committee and function leadership team, which considers the accuracy and completeness of the map, significant movements in risk and any changes required to the response plans addressing those risks. Where the Group's operating companies have a reliance on other parts of the Group for services delivery, risks are reflected appropriately across risk maps to ensure accountability is clear. At the Group level, key risks from the operating companies, together with Group-wide risks, are maintained in a Group risk map. Climate-related risks are also identified and assessed by the Group Sustainability team, in conjunction with the ERM function. IAG also continues to practice assessment of environmental issues against the Task Force on Climate - related Financial Disclosures, and completes an annual scenario analysis which involves a structured, qualitative discussion of potential climate-related impacts and business responses. IAG conducted its 2023 analysis in line with 2021 guidance.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☒ Yes

(2.2.7.2) Description of how interconnections are assessed

Through our ERM framework and business planning, we have identified and assessed the potential impacts of current climate- regulated regulation on our business. We publicly disclosed "sustainable aviation" risks as a principal risk in our 2023 ARA (page 121 of English version), mentioning the impact of current regulation. Further details on a) climate transition risks and b) physical climate risks, and our corresponding mitigating actions, were also disclosed in our ARA pages 88-89 (English version). Under our TCFD scenario analysis, the impacts of climate change are considered both with respect to the risks and opportunities to the business. Risks are associated with operating our route network, future cost implications from regulatory change, market implications, litigation and reputational damage. Opportunities are considered with respect to the development and evolution of new technologies, including investments in carbon removals and sustainable aviation fuels.

[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☒ Yes, we are currently in the process of identifying priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☒ Direct operations

☒ Upstream value chain

☒ Downstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☒ Other sensitive location, please specify :Areas subject to risk of disruptive action based on reputation risk on climate change, key destinations subject to acute/chronic climate change, SAF production facilities

(2.3.4) Description of process to identify priority locations

IAG considers its route network as part of performing its risk management update. Specific locations are considered under relevant sustainable aviation risks identified through both the TCFD and ERM assessments, including impacts at hub airports where Group airlines operate. Examples of where location specific considerations have been taken into account include: - modelling a reduction in revenue from shorthaul operations across the Group to reflect changes in customer behaviours towards shorthaul travel where other travel options exist; - transatlantic revenues below plan expectations to reflect a potential long-term change in corporate business travel behaviours; - a revenue impact from schedule disruption due to extreme weather events, alongside increased costs from new taxes; and additional fuel costs in years 2 and 3 due to SAF mandates, which may also be impacted by geography based on policy and investment support available in different jurisdictions.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☒ No, we do not have a list/geospatial map of priority locations

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☒ Qualitative

☒ Quantitative

(2.4.6) Metrics considered in definition

Select all that apply

☒ Time horizon over which the effect occurs

☒ Likelihood of effect occurring

(2.4.7) Application of definition

The Group considers enterprise risks that could impact the plan (defined as the short term), it also considers potential risks that could impact over the medium term of up to five years and in the longer term, beyond five years. Risk outcomes are quantified as the potential cash impact to the plan over three years. Non-cash outcomes that could impact our customers, employees, reputation, sustainability targets or our regulatory obligations are considered qualitatively for every risk.

Opportunities

(2.4.1) Type of definition

Select all that apply

- ☒ Qualitative
- ☒ Quantitative

(2.4.6) Metrics considered in definition

Select all that apply

- ☒ Time horizon over which the effect occurs
- ☒ Likelihood of effect occurring

(2.4.7) Application of definition

IAG was an early adopter of the Task Force on Climate-related Financial Disclosures (TCFD) guidelines for climate-related scenario analysis and climate-specific risk assessments. The Group assesses climate-related risks, and areas of opportunity, by testing and revising the assumptions on updated forecasts for future business growth and the regulatory context and future carbon pricing. The Group has also embedded forecasting of its climate impacts into its strategic, business and financial planning processes and has assessed that it is resilient to material climate-related impacts. This assessment is used to inform sustainability risk as captured within IAG's ERM framework.

[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☒ No, we do not identify and classify our potential water pollutants

(2.5.3) Please explain

IAG does not use a significant amount of water in its operations, nor does it generate waste that is or could be discharged into the ecosystems, either qualitatively or quantitatively. It is not a material issue as defined by our 2021 materiality assessment.

[Fixed row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☒ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☒ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☒ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

IAG does not have specific risk provisions, targets or guarantees related to non-material issues such as water.

Plastics

(3.1.1) Environmental risks identified

Select from:

☒ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☒ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

*IAG does not have specific risk provisions, targets or guarantees related to non-material issues such as raw materials, including plastics.
[Fixed row]*

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☒ Other acute physical risk, please specify :Impact of changing weather conditions on the operation of our aircraft and viability of hub destinations

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- ☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ Ireland
☒ Spain
☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Resilience to acute weather events

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Medium-term

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

There are multiple potential financial impacts, including, but not limited to: (i) reduction in revenues; (ii) increases in disruption costs, such as passenger compensation; (iii) increased fuel costs for changes to routes or weather diversions. These are not expected to have a material impact to the business over the short to medium term and as such no quantification given

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

- ☒ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☒ Other infrastructure, technology and spending, please specify :Operating with better air traffic management systems and investing in new aircraft to reduce emissions and use Sustainable Aviation Fuels

(3.1.1.29) Description of response

Existing operational resilience processes can minimise extra disruption (for example from more turbulence from US-UK flights), supported by the use of predictive modelling and AI. IAG is also working with national governments and OEMs and engine manufacturers to prioritise infrastructure development

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☒ Other chronic physical risk, please specify :Combination of chronic physical risks impacting destination viability, IAG assets and customer demand.

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Ireland

☒ Spain

☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Resilience of routes and assets to chronic climate changes

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Changed revenue from a different route network or a different frequency of flights to climate-affected destinations, changes in operational maintenance costs

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Diversification

☒ Other diversification, please specify :Leverage scale of route network and aircraft as mobile assets

(3.1.1.29) Description of response

The risk assessment for our chronic climatic changes at IAG hub airports is low. For operations, the scale of route network means impacts above plan are not material so no immediate action needed. Aircraft are mobile assets which can be moved to different locations to account for e.g. more hurricanes in the Caribbean. Engagement with destination airports and regulators around airport infrastructure robustness has also supported resilience efforts to long term climate change impacts, such as in Singapore where Changi Airport have raised their runway to cater for more extreme weather events and flooding risk.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Reputation

☒ Stigmatization of sector

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Ireland

☒ Spain

☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Customer spend due to perceptions of ESG progress in IAG or the aviation sector

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Medium-term
☒ Long-term

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Customers change frequency of flying, or spend less relative to other carriers or other travel modes, resulting in a revenue change to IAG

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

- ☒ No

(3.1.1.26) Primary response to risk

Engagement

- ☒ Engage with customers

(3.1.1.29) Description of response

Delivering emissions reductions, expanding customer communications, support for global instruments like CORSIA, working via trade associations to advance solutions

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☒ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Ireland

☒ Spain

☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Perceived quality of offset and removal projects

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased compliance costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Exposure to sudden variability in prices, cost of CORSIA credits, scale of growth in costs due to available volume of removals to deliver net zero

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Pricing and credits

☒ Other pricing or credit, please specify :Financial risk management policies to mitigate volatility

(3.1.1.29) Description of response

Financial risk management policies to mitigate volatility, governance to ensure offset quality, a removals roadmap based on external evidence, advocacy for policy support and monitoring regimes

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk5

(3.1.1.3) Risk types and primary environmental risk driver

Market

☒ Other market risk, please specify :Supply chain readiness

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- ☒ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ Ireland
☒ Spain
☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Supply chain readiness

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Long-term

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Sustainability compliance or technology change causing unplanned changes in cost of goods and services provided to IAG or associated supplier management costs

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

- ☒ No

(3.1.1.26) Primary response to risk

Engagement

- ☒ Engage with suppliers

(3.1.1.29) Description of response

Delivering a supply chain sustainability programme which includes ESG scorecards and supplier risk screening, to support the selection of and engagement with suppliers managing climate risks and supporting decarbonisation goals

Climate change

(3.1.1.1) Risk identifier

Select from:

- ☒ Risk6

(3.1.1.3) Risk types and primary environmental risk driver

Policy

- ☒ Other policy risk, please specify :SAF delivery against committed offtake agreements

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- ☒ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- | | |
|---|--|
| ☒ China | ☒ United States of America |
| ☒ Spain | ☒ United Kingdom of Great Britain and Northern Ireland |
| ☒ Finland | |

- ☒ Ireland
- ☒ Singapore

(3.1.1.9) Organization-specific description of risk

SAF delivery against committed offtake agreements

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Medium-term
- ☒ Long-term

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

SAF delivery from agreed commitments fail to materialise from weak market supply or failed project development, exposing IAG to market priced SAF, buyout penalties or carbon costs

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

- ☒ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

- ☒ Other infrastructure, technology and spending, please specify :Working with technology developers to establish a range of SAF supply options, and uplifting fuel in multiple locations, including the US and Europe.

(3.1.1.29) Description of response

Securing SAF deals and taking equity in early-stage projects where relevant. Monitoring SAF project development and seeking volume above target levels

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk7

(3.1.1.3) Risk types and primary environmental risk driver

Liability

☒ Exposure to sanctions and litigation

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Ireland

☒ Spain

☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Litigation against claimed carbon reductions from mis-sold carbon offsets

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Fines, penalties or enforcement orders

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Short-term

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Litigation for use of credits towards voluntary or compliance offsetting that do not deliver claimed emission reductions leads to legal cost

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☒ Greater due diligence

(3.1.1.29) Description of response

Own due diligence conducted on carbon offsetting projects

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk8

(3.1.1.3) Risk types and primary environmental risk driver

Market

- ☒ Changing customer behavior

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- ☒ Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ Ireland
- ☒ Spain
- ☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Elasticity of demand of increasing ESG type costs being passed back to passengers directly or indirectly

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Long-term

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Elasticity of demand of increasing ESG costs being passed back to passengers directly or indirectly has an impact on company revenue and margin

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Diversification

☒ Develop new products, services and/or markets

(3.1.1.29) Description of response

Impacts of emerging policy assessed as part of longer-term financial planning and strategy. Continuous review of customer demand for destinations and adaptation of route network to meet demand trends

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk9

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☒ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ Ireland
- ☒ Spain
- ☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Exposure to long-term carbon price increases affects compliance costs

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Increased compliance costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Medium-term

(3.1.1.14) Magnitude

Select from:

- ☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Exposure to long-term price increases affects compliance costs

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Pricing and credits

☒ Implement internal price on carbon

(3.1.1.29) Description of response

Strategy to reduce impact of price spikes; using carbon prices in fleet and financial planning

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk10

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☒ Poor coordination between regulatory bodies

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Ireland

☒ Spain

☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Policy asymmetry across regions

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased compliance costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.1.1.14) Magnitude

Select from:

☒ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Increased policy asymmetry increases the risk of non-compliance and incurring financial penalties under jurisdictional regimes. Fragmented policy also risks disproportionately impacting the cost of operations from hub airports relative to competitors, which could influence customer decisions (relative to other carriers who are under more favourable policy regimes). Policy asymmetry also carries impacts to direct operations, such as lack of ATC resilience or coordination.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Engagement

- ☒ Engage with regulators/policy makers

(3.1.1.29) Description of response

Advocacy for global solutions such as the ICAO Long-Term Aspirational Goal agreed in 2022, and global Carbon Offsetting and Reduction Scheme for International Aviation. Continue to support increased ATC efficiency initiatives.

Climate change

(3.1.1.1) Risk identifier

Select from:

- ☒ Risk11

(3.1.1.3) Risk types and primary environmental risk driver

Policy

- ☒ Changes to regulation of existing products and services

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- ☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ Ireland
- ☒ Spain
- ☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Extra regulation on activity rather than emissions, for governments to recover costs

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.14) Magnitude

Select from:

☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Industry-wide taxes or levies increase operating costs and have potential demand impacts; demand management measures impact elasticity of demand and equates to lost revenue. Noise restrictions are not included in this risk but are reviewed as a separate risk through the TCFD framework

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Engagement

☒ Engage with regulators/policy makers

(3.1.1.29) Description of response

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk12

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☒ Other policy risk, please specify :Lack of supporting SAF infrastructure or policy

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ China

☒ Spain

☒ Finland

☒ Ireland

☒ Singapore

☒ United States of America

☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Lack of supporting SAF infrastructure or policy

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.1.1.14) Magnitude

Select from:

☒ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Higher prices of SAF in core markets due to lack of investment in SAF production or cost of inputs

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Engagement

☒ Engage with regulators/policy makers

(3.1.1.29) Description of response

Advocacy for SAF policy, e.g. via UK Jet Zero Council, and a strategy to procure SAF in regions where supportive policy exists

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk13

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☒ Changes to international law and bilateral agreements

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Ireland

☒ Spain

☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Regulation on non-CO2 emission effects

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased compliance costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.1.1.14) Magnitude

Select from:

☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Potential multiplier on ETS costs, lost revenue due to route restrictions, or operational costs due to non-CO2 management, plus additional CAPEX costs associated with acquiring and installing equipment to monitor non-CO2 impacts on all aircraft and engines.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Engagement

☒ Engage with regulators/policy makers

(3.1.1.29) Description of response

External research suggests just 10% of flights could account for 80% of impacts. Advocacy via trade associations to support monitoring and targeted solutions such as route optimisation and SAF uptake

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk14

(3.1.1.3) Risk types and primary environmental risk driver

Technology

- ☒ Transition to lower emissions technology and products

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- ☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ Ireland
- ☒ Spain
- ☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Access to and readiness for lower-emission technologies

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Increased compliance costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Long-term

(3.1.1.14) Magnitude

Select from:

☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Higher ETS and CORSIA compliance costs if technology access is restricted or technology development is slow

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☒ Other infrastructure, technology and spending, please specify :Identify a range of technological opportunities to reduce carbon cost exposure

(3.1.1.29) Description of response

The IAG Sustainability team aligns research and work with the Flightpath Net Zero strategy, to define optimum pathways to achieve Net Zero emissions through use of new, innovative technologies. IAG also uses its Hangar 51 Ventures team to identify opportunities to support scaling up carbon removal technologies.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk15

(3.1.1.3) Risk types and primary environmental risk driver

Technology

☒ Transition to lower emissions technology and products

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- ☒ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ China
- ☒ Spain
- ☒ Finland
- ☒ Ireland
- ☒ Singapore
- ☒ United States of America
- ☒ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Access to SAF

(3.1.1.11) Primary financial effect of the risk

Select from:

- ☒ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Medium-term

(3.1.1.14) Magnitude

Select from:

- ☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Changing unit prices of SAF in core markets, increasing OPEX costs

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☒ Other infrastructure, technology and spending, please specify :Securing SAF deals to manage risk of changing SAF prices in core markets

(3.1.1.29) Description of response

Securing SAF deals and taking equity in early stage projects where relevant

[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☒ No	Not applicable

[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☒ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

☒ EU ETS

☒ Switzerland ETS

☒ UK ETS

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

EU ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0.2

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

2364604

(3.5.2.6) Allowances purchased

2715269

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

5079879

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☒ Facilities we own and operate

(3.5.2.10) Comment

Switzerland ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

94992

(3.5.2.6) Allowances purchased

40958

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

135950

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☒ Facilities we own and operate

(3.5.2.10) Comment

UK ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0.06

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

871720

(3.5.2.6) Allowances purchased

899715

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

1771435

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☒ Facilities we own and operate

(3.5.2.10) Comment

[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

The regulated systems pertaining to carbon pricing are the EU, UK and Swiss Emission Trading Schemes (ETS) and the global CORSIA scheme. Each airline provides annual carbon emission forecasts, which are updated quarterly, to IAG. The overall strategy for annual compliance with these schemes is coordinated centrally at the Group level with ETS compliance officers in each airline managing the detailed monitoring, reporting and verification aspects. The IAG central co-ordination team uses these carbon emission forecasts, which are prepared by jurisdiction, to enable a corresponding forecast for the regular purchase of such emission allowances to meet the associated emission obligations. It is Group policy to ensure at any point in time that it has purchased sufficient allowances. Prior to the annual regulatory emission submissions, the Group engages third-party assurance providers to check and review our compliance reporting. IAG also manages the costs of compliance with the EU, UK, Swiss and ETS via the Flightpath Net Zero programme. Actions taken to minimise emissions and exposure to compliance costs include investment in fuel efficient aircraft, delivery of operational fuel efficiency measures, optimised airspace routing and investing in the production and offtake of sustainable aviation fuels. The results of these actions, implemented over a timeframe to 2030 and 2050, is expected to reduce gross emissions as detailed in the Targets section. A case study of how the strategy for compliance has been implemented, over an annual timeframe, relates to planning undertaken in 2023 to prepare for the EU "Fit for 55" climate policy package. Predicted UK and EU ETS policy changes out to 2030, including changes in the unit price of carbon, were identified and their potential impact on operational costs for Group airlines embedded into annual strategic and financial planning templates which were issued to all OpCos to complete. This process had Group Finance oversight and enabled the Group to understand in depth the financial implications of complying with the regulation.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.6.1) Environmental opportunities identified

Select from:

☒ Yes, we have identified opportunities, and some/all are being realized

Water

(3.6.1) Environmental opportunities identified

Select from:

☒ No

(3.6.2) Primary reason why your organization does not consider itself to have environmental opportunities

Select from:

☒ Judged to be unimportant or not relevant

(3.6.3) Please explain

Water is not a material issue for IAG.
[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Capital flow and financing

☒ Other capital flow and financing opportunity, please specify :Investment into Sustainable Aviation Fuels

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Upstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ Ireland

☒ Spain

☒ United Kingdom of Great Britain and Northern Ireland

(3.6.1.8) Organization specific description

SAF is a key solution in IAG's transition plan to net zero emissions. In 2023, IAG enhanced its governance framework suitable for accelerating our engagement with SAF investments and policy. As of 31 December 2023, our total investment in SAF reached 1 billion, of which 86% is future commitments. This is based on an assumed jet fuel price of 800 per metric tonne and contracted margins for SAF production. This is the largest disclosed commitment to SAF by any airline globally. SAF remains a developing market, which in many regions is still awaiting policy definition to drive infrastructure investment. IAG is working with technology developers to establish a range of SAF supply options. We aim to be a leader in supporting developed SAF production pathways that achieve the greatest life-cycle emission reductions and can accelerate our efforts to decarbonise.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☒ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ About as likely as not (33–66%)

(3.6.1.12) Magnitude

Select from:

☒ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

As of 31 December 2023, our total investment in SAF reached 1 billion, of which 86% is in future commitments (based on an assumed jet fuel price of 800 per metric tonne and contracted margins for SAF production). IAG remains on track to deliver a 100-fold increase in its SAF volumes between 2022 and 2030, and expects to use SAF for 70% of total fuel in 2050. SAF is an OPEX cost to IAG, and using SAF reduces compliance costs within carbon markets in which group airlines participate. The EU has legislated under its Fit for 55 package a new ReFuelEU policy that will set a SAF mandate from 2025. The mandate will require a minimum

volume of SAF in the EU, starting in 2025 at 2% and reaching 6% by 2030, with 1.2% of the 2030 volume to be met through use of advanced SAF pathways, such as Power-to-Liquid (PtL) SAF. Also within the Fit for 55 package, the EU has agreed to amend the Emissions Trading System (ETS) Directive, and introduce an incentive for aircraft operators to increase SAF uplift through the EU ETS from 2024. This will make it possible for aircraft operators to claim a share of 20 million allowances set aside by the European Commission to cover some of the difference in the price paid for SAF compared to jet kerosene, on EU ETS compliant routes. SAF continues to be zero-emission rated under the EU ETS, which also incentivises use by aircraft operators to reduce annual carbon cost exposure. The UK has set a SAF target of 10% by 2030, and a target to commence the construction of five SAF plants by 2025. In 2023, following advocacy efforts by industry, the UK Government agreed to develop a revenue certainty mechanism for SAF producers, that should be in force by 2026. Under the UK ETS, SAF is zero-emission rated, but there currently is no incentive comparable with policy provided under the EU ETS.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

390000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

1060000000

(3.6.1.23) Explanation of financial effect figures

These costs are for illustrative purposes only of how the financial impacts can be calculated and should not be construed as a definitive projection of IAG's financial exposure or future financial performance. IAG continues to review and revise estimates of impact and there remains significant inherent uncertainty in the preparation of long-term forecasts. By the end of 2023, IAG has offtake agreements that amounted to 33% of its target volume of 1 million tonnes in 2030. The 0.39-1.06bn cost is based on the potential extra operating costs in 2030, in a scenario where the remaining 0.66 MT of SAF is purchased at global average market rates higher than fossil kerosene prices, and in the absence of any additional policy support. This illustrative scenario assumes global SAF market prices are 2-3 times fossil prices, averaging 2000-3000/tonne if jet fuel is at 1000/tonne and so at an illustrative premium of 1000-2000/tonne. Use of SAF could also achieve a compliance saving from use in the UK and EU ETS of 410/tonne of fuel in 2030, based on carbon costs of 130/tonne of CO₂ and one tonne of fuel being equal to 3.15 tonnes of CO₂. These carbon costs are based on current market values and the UK Government Jet Zero Strategy. 666,000 tonnes multiplied by (1000 – 410) or (2000 – 410) gives the illustrative range above, without policy support. In practice, policy support such as the Renewable Transport Fuel Obligation in the UK and new federal production incentives for SAF in the US could bring down the unit costs. The cost range above is also based on scenarios with no cost-savings pass-through and so no demand impact. IAG has mapped our internal categories for likelihood and impact across to the CDP categories for likelihood and impact.

(3.6.1.24) Cost to realize opportunity

(3.6.1.25) Explanation of cost calculation

IAG continues to make direct investments in new and innovative SAF production capacity, which supports the wider development of the SAF market. These investments are typically coupled with SAF purchase agreements, which are critical to the financial viability of the new SAF production capacity. The Group uplifts jet fuel in multiple locations, including the US and Europe, and therefore is exploring projects in multiple regions. IAG is working with technology developers to establish a range of SAF supply options, including the projects listed in this section. We aim to be a leader in supporting developed SAF production pathways that achieve the greatest life-cycle emission reductions and can accelerate our efforts to decarbonise. In February 2024, IAG signed its largest-ever SAF purchase agreement with Twelve, a SAF project based in Washington, which produces advanced power-to-liquid SAF made from CO₂, water and renewable energy. This means we have secured one-third of the SAF required to meet IAG's 10% SAF by 2030 target. For SAF produced from other pathways, the Group is also working to support projects which remove carbon or capture and store it. For this calculation, we have provided a simple, illustrative cost calculation whereby current SAF investment is used as a proxy for future SAF costs. The calculation is therefore made assuming 1 billion equates to 333,333 tonnes of SAF - so the remaining 666,666 tonnes of SAF equates to 2 billion. This is an assumed proxy and as per our view of financial effect figures, should only be used for illustrative purposes only and not construed as a definitive projection of IAG's financial exposure or future financial performance.

(3.6.1.26) Strategy to realize opportunity

By moving to secure SAF offtakes in locations including the UK and US, we can accelerate the building of SAF capacity whilst securing volumes of SAF at pricing closer to the cost of production rather than market rates. We believe such volumes will be short-supplied in an increasingly mandated environment, as newly built SAF capacity will lag demand. IAG is also allocating resources to advocate for supportive and effective SAF policy at national, regional and global levels. IAG continues to review and refine its climate strategy and investments.

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☒ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☒ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☒ Executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☒ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

IAG has a Equity, Diversity and Inclusion policy. This policy and its principles apply to everyone who works for IAG, its Operating Companies and their subsidiaries. This includes all employees, officers, and company directors. It also applies, as far as possible, to our suppliers and contractors. The policy covers all aspects of employment including, recruitment, terms and conditions, training, performance reviews, promotion, conduct at work, disciplinary and grievance procedures, and termination of employment. This policy is fully endorsed and supported by leaders and management within the Group who will address any conduct that breaches this policy. IAG also has a Directors Selection and Diversity Policy (the "Policy") sets out the principles that govern the directors selection process and the approach to diversity on the Board of Directors. The IAG Board recognises the importance and value of diversity, its relevance for better decision-making, and the Board's role in driving equity, diversity and inclusion across the Group. At the same time, this Policy is intended to ensure that the appointment of directors to the Board is made in

accordance with a formal, rigorous and transparent procedure, and that the selection of candidates is based on a prior analysis of the needs of the IAG Board of Directors. This Policy is applicable to the IAG Board of Directors, but it is aligned and complements the IAG Equity, Diversity and Inclusion Policy.

(4.1.6) Attach the policy (optional)

IAG EDI Policy.pdf,directors_selection_and_diversity_policy (2).pdf

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ Yes

Water

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ No, and we do not plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

☒ Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

IAG focuses its sustainability strategy on addressing material issues: those which are most important to key stakeholders and which have the biggest external impacts. In our 2021 materiality assessment, tackling climate change was identified as the most material issue in the long-term. In the short-term, as the business recovers from the COVID-19 pandemic, profitability and customer and employee engagement and wellbeing remain high priorities. IAG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption, biodiversity, raw materials consumption, or light pollution.

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ No, and we do not plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

☒ Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

IAG focuses its sustainability strategy on addressing material issues: those which are most important to key stakeholders and which have the biggest external impacts. In our 2021 materiality assessment, tackling climate change was identified as the most material issue in the long-term. In the short-term, as the business recovers from the COVID-19 pandemic, profitability and customer and employee engagement and wellbeing remain high priorities. IAG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption, biodiversity, raw materials consumption, or light pollution.

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☒ Board chair

☒ Director on board

☒ Other C-Suite Officer

☒ Board-level committee

☒ Chief Executive Officer (CEO)

☒ Chief Financial Officer (CFO)

☒ Chief Procurement Officer (CPO)

☒ Chief Sustainability Officer (CSO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☒ Board Terms of Reference

☒ Board mandate

☒ Individual role descriptions

☒ Other policy applicable to the board, please specify

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☒ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☒ Reviewing and guiding annual budgets

☒ Overseeing and guiding scenario analysis

☒ Overseeing the setting of corporate targets

☒ Monitoring progress towards corporate targets

☒ Approving corporate policies and/or commitments

☒ Monitoring the implementation of the business strategy

☒ Overseeing reporting, audit, and verification processes

☒ Monitoring the implementation of a climate transition plan

☒ Overseeing and guiding the development of a business strategy

☒ Overseeing and guiding acquisitions, mergers, and divestitures

☒ Monitoring supplier compliance with organizational requirements

☒ Overseeing and guiding public policy engagement

☒ Overseeing and guiding public policy engagement

☒ Reviewing and guiding innovation/R&D priorities

☒ Approving and/or overseeing employee incentives

☒ Overseeing and guiding major capital expenditures

- ☒ Monitoring compliance with corporate policies and/or commitments
- ☒ Overseeing and guiding the development of a climate transition plan
- ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The IAG CEO has ultimate responsibility for climate related issues. The CEO has influence over all operating companies - British Airways, Iberia, Vueling, Aer Lingus, LEVEL, IAG GBS, IAG Loyalty, IAG Tech and IAG Cargo - and provides a direct link between the IAG Management Committee (MC) and the Board. The IAG Board is responsible for setting group sustainability commitments, reviewing the progress of climate-related objectives and strategy, agreeing plans to meet carbon-related regulatory compliance such as with the UK and EU Emissions Trading Schemes (ETS), and ensuring management is effectively delivering on sustainability objectives and policies. All members of the board may also raise questions, ask for evidence of action on, or challenge aspects of the climate change programme. The IAG Board has several advisory committees. As per Spanish corporate law (IAG applicable corporate law), these subcommittees have no delegated authority, so decisions are taken by the Board. One such committee is the IAG Safety, Environment and Corporate Responsibility (SECR) Committee, which meets at least quarterly.

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

- ☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- ☒ Consulting regularly with an internal, permanent, subject-expert working group
- ☒ Engaging regularly with external stakeholders and experts on environmental issues
- ☒ Integrating knowledge of environmental issues into board nominating process
- ☒ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☒ No, and we do not plan to within the next two years

(4.2.4) Primary reason for no board-level competency on this environmental issue

Select from:

☒ Not an immediate strategic priority

(4.2.5) Explain why your organization does not have a board with competence on this environmental issue

Water is not a material issue for IAG.

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	Select from: ☒ Yes
Water	Select from: ☒ Yes
Biodiversity	Select from: ☒ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- ☒ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

- ☒ Monitoring compliance with corporate environmental policies and/or commitments
- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- ☒ Developing a climate transition plan
- ☒ Implementing a climate transition plan
- ☒ Implementing the business strategy related to environmental issues
- ☒ Managing annual budgets related to environmental issues
- ☒ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ More frequently than quarterly

(4.3.1.6) Please explain

The IAG CEO has ultimate responsibility for climate related issues. The CEO has influence over all operating companies - British Airways, Iberia, Vueling, Aer Lingus, LEVEL, IAG GBS, IAG Loyalty, IAG Tech and IAG Cargo - and provides a direct link between the IAG Management Committee (MC) and the Board. Climate change is a group-wide strategic issue for IAG, so this responsibility ensures that the highest level of management holds ultimate accountability for directing IAG's response. The CEO reports quarterly to the IAG Board, which is responsible for approving the strategies and general policies of IAG as well as approving the risk management and control policy which includes climate-related risks. The CEO is responsible for ensuring that Board-approved strategies and risk management plans are put into action across the Group and its operating companies. The CEO also chairs the MC, which provides the channel to direct decisions made at the Board into action across the Group's operating companies. Via the MC, the CEO updates the Board on climate related proposals and initiatives, including requests related to climate change considerations.

Water

(4.3.1.1) Position of individual or committee with responsibility

Other

- ☒ Other, please specify :Group Head of Sustainability

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the Chief Financial Officer (CFO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ More frequently than quarterly

(4.3.1.6) Please explain

The IAG Group Head of Sustainability manages IAG's sustainability strategy and progress towards improving sustainability activities across all issues (prioritising those which are material to the Group). The IAG Group Head of Sustainability reports to the Group CFO, meaning there is a direct line of accountability between director level and management level to aid delivery of our climate change and broader sustainability programmes. Aligned to this, IAG has an internal Sustainability Steering Group (SSG), chaired by the CFO and including each business area represented by a director level or senior officer of the company. Each quarter, the IAG Group Head of Sustainability reports to the Board SECR committee accordingly on sustainability initiatives and strategy, which includes responses to climate-related risks. They also report to the IAG MC and ACC on climate-related risks and strategy. Risks are regularly reported to the IAG CFO, who reports to the IAG CEO.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Other

- ☒ Other, please specify :Group Head of Sustainability

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the Chief Financial Officer (CFO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ More frequently than quarterly

(4.3.1.6) Please explain

The IAG Group Head of Sustainability manages IAG's sustainability strategy and progress towards improving sustainability activities across all issues (prioritising those which are material to the Group). The IAG Group Head of Sustainability reports to the Group CFO, meaning there is a direct line of accountability between director level and management level to aid delivery of our climate change and broader sustainability programmes. Aligned to this, IAG has an internal Sustainability Steering Group (SSG), chaired by the CFO and including each business area represented by a director level or senior officer of the company. Each quarter, the IAG Group Head of Sustainability reports to the Board SECR committee accordingly on sustainability initiatives and strategy, which includes responses to climate-related risks. They also report to the IAG MC and ACC on climate-related risks and strategy. Risks are regularly reported to the IAG CFO, who reports to the IAG CEO.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- ☒ Chief Financial Officer (CFO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

- ☒ Monitoring compliance with corporate environmental policies and/or commitments
- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- ☒ Developing a climate transition plan
- ☒ Implementing a climate transition plan

- ☒ Managing annual budgets related to environmental issues
- ☒ Implementing the business strategy related to environmental issues
- ☒ Managing environmental reporting, audit, and verification processes
- ☒ Managing acquisitions, mergers, and divestitures related to environmental issues
- ☒ Managing major capital and/or operational expenditures relating to environmental issues
- ☒ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ More frequently than quarterly

(4.3.1.6) Please explain

The IAG Chief Financial Officer sits on the IAG Management Committee and has overall responsibility for the development and implementation of sustainability strategy, including climate-related issues. The IAG Group Head of Sustainability reports into this individual, meaning there is a direct line of accountability between director level and management level to aid delivery of our climate change programmes. Aligned to this, IAG has an internal Sustainability Steering Group (SSG), chaired by the CFO and including each business area represented by a director level or senior officer of the company, which oversee implementation of IAG's climate transition plan, including sustainability initiatives, transition plan modelling, reporting requirements and progress towards environmental targets.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

- ☒ Other committee, please specify :The IAG Management Committee includes the Chief Information Officer (CIO), Group Chief Finance Officer (CFO), General Counsel, and CEOs of the Group operating companies

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- ☒ Developing a climate transition plan
- ☒ Implementing a climate transition plan
- ☒ Managing annual budgets related to environmental issues
- ☒ Implementing the business strategy related to environmental issues
- ☒ Developing a business strategy which considers environmental issues
- ☒ Managing environmental reporting, audit, and verification processes
- ☒ Managing acquisitions, mergers, and divestitures related to environmental issues
- ☒ Managing major capital and/or operational expenditures relating to environmental issues
- ☒ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ Quarterly

(4.3.1.6) Please explain

The IAG Management Committee reports to the Board and oversees development and execution of climate-related strategy. In 2023, this committee included the Chief Information Officer (CIO), Group Chief Finance Officer (CFO), General Counsel, and CEOs of the Group operating companies. The MC is responsible for assessing progress against climate targets and providing sign-off and guidance on projects such as sustainable fuels and fuel efficiency initiatives. Members also support the CEO in assessing and managing climate related risks and opportunities within their respective areas of responsibility. The MC has these responsibilities to check that climate-related programmes align with wider business aspects such as IAG strategy, business plan processes and innovation programmes. They can channel climate-related updates, proposals and requests via the CEO back up to the Board. Each of the operating company CEOs are also responsible for presenting their climate change progress and plans to the MC. This happens as part of an annual business planning process, with submitted plans covering a timeframe of the next three years. This responsibility ensures that the highest level of management is made aware of climate-related best practice that can be shared group-wide, or where collective action is required to ensure progress against our goals. The MC provides a forum to discuss and agree proposed new policies and strategies before presenting these for approval to the IAG Board.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- ☒ Chief Procurement Officer (CPO)

(4.3.1.2) Environmental responsibilities of this position

Engagement

- ☒ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- ☒ Developing a climate transition plan
- ☒ Implementing a climate transition plan
- ☒ Managing annual budgets related to environmental issues
- ☒ Implementing the business strategy related to environmental issues

- ☒ Developing a business strategy which considers environmental issues
- ☒ Managing acquisitions, mergers, and divestitures related to environmental issues
- ☒ Managing major capital and/or operational expenditures relating to environmental issues
- ☒ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

- ☒ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ Quarterly

(4.3.1.6) Please explain

IAG GBS manages interactions with suppliers on behalf of the IAG Group. The director of IAG GBS leads efforts such as ensuring controls the Group's supply chain cost base, delivers relevant automation and analytics, and proactively monitors any potential supplier risks to mitigate emerging issues. Through the Supply Chain Sustainability Programme and an ongoing partnership with business sustainability ratings agency EcoVadis, IAG GBS liaises with, supports and monitors suppliers to ensure the Group is on track to deliver net zero emissions by 2050 for all products and services provided to IAG.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

- ☒ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- ☒ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☒ Managing engagement in landscapes and/or jurisdictions
- ☒ Managing public policy engagement related to environmental issues
- ☒ Managing supplier compliance with environmental requirements
- ☒ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☒ Monitoring compliance with corporate environmental policies and/or commitments
- ☒ Measuring progress towards environmental corporate targets
- ☒ Measuring progress towards environmental science-based targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- ☒ Developing a climate transition plan
- ☒ Implementing a climate transition plan
- ☒ Conducting environmental scenario analysis
- ☒ Implementing the business strategy related to environmental issues
- ☒ Developing a business strategy which considers environmental issues
- ☒ Managing environmental reporting, audit, and verification processes

Other

- ☒ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the Chief Financial Officer (CFO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ More frequently than quarterly

(4.3.1.6) Please explain

IGAG has a Sustainability Steering Group (SSG) which meets at least quarterly. It is chaired by the IGAG CFO and is comprised of senior representatives from each operating company and key IGAG teams to provide oversight of environmental and social initiatives and reporting.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

- ☒ Other committee, please specify :Hangar 51 Digital and Ventures Governance

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☒ Managing value chain engagement related to environmental issues

Strategy and financial planning

- ☒ Conducting environmental scenario analysis
- ☒ Developing a climate transition plan
- ☒ Implementing a climate transition plan
- ☒ Managing major capital and/or operational expenditures relating to environmental issues
- ☒ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☒ Other, please specify :IAG Management Committee

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☒ As important matters arise

(4.3.1.6) Please explain

IAG has an innovation platform called Hangar 51. As part of the Hangar 51 Digital and Ventures Governance, the Group Head of Sustainability, CFO, General Counsel, CIO and Director of GBS meet quarterly to review new opportunities for potential investments and partnerships with start-ups, in order to promote the development of climate related technologies such as new SAF production techniques, hydrogen propulsion, carbon capture and storage and novel digital technologies that support the group's net zero transition.

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☒ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

IAG has been committed to climate-related incentives for managers since 2019, when the IAG MC, Remuneration Committee and IAG Board decided that financial incentives linked to climate change would come into force in 2020. Climate-related management incentives were reinstated from 2022 across all management incentive plans, following the COVID-19 pandemic. The climate incentive applies to more than 7,500 managers across IAG operating companies and head office management.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☒ No, and we do not plan to introduce them in the next two years

(4.5.3) Please explain

Water is not a material issue for IAG and is therefore not part of the climate-related incentive scheme.

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

- ☒ Achievement of environmental targets

Strategy and financial planning

- ☒ Achievement of climate transition plan

Emission reduction

- ☒ Reduction in emissions intensity

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- ☒ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

The IAG CEO annual incentive plan is weighted to the following measures: Operating profit (before exceptional items), customer NPS, carbon efficiency and personal objectives. 10% of their annual performance bonus linked to delivery of annual carbon efficiency targets, to support progress towards the Group 2025 transition plan KPI of 80gCO₂/pkm, an 11% reduction in carbon intensity compared to 2019 levels. This represents 100% of senior executives in IAG. IAG has been committed to climate-related incentives for managers since the 2019 launch of its Flightpath Net Zero strategy. The IAG MC, Remuneration Committee and IAG Board decided that financial incentives linked to climate change would come into force in 2020. Due to the unforeseen impacts of the COVID-19 pandemic, the incentive plan was cancelled in 2020 and in 2021 it focused on measures to help the business navigate the pandemic. From 2022, with the return of more normalised flight and passenger volumes, IAG reinstated a carbon efficiency measure, to further drive progress towards the Flightpath Net Zero 2050 commitment. The annual gCO₂/pkm measures are based on the fuel efficiency of flight operations, taking account of airline and Group route networks, aircraft mix and passenger load factors.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The IAG CEO is responsible for updating the Board, where decisions about our sustainability and climate change strategies are agreed as well as decisions about major climate-related investments. The CEO also chairs the IAG Management Committee and ensures that decisions made at Board level are directed into action across the Group operating companies. This supports the delivery of annual carbon efficiency targets and progress towards the Group 2025 transition plan KPI of 80gCO₂/pkm, an 11% reduction in carbon intensity compared to 2019 levels.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

- ☒ Chief Financial Officer (CFO)

(4.5.1.2) Incentives

Select all that apply

- ☒ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

- ☒ Achievement of environmental targets

Strategy and financial planning

- ☒ Achievement of climate transition plan

Emission reduction

- ☒ Reduction in emissions intensity

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- ☒ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In 2023, more than 7,500 senior executives and managers had 10% of their annual performance bonus linked to delivery of annual carbon efficiency targets, to support progress towards the Group 2025 transition plan KPI of 80gCO₂/pkm, an 11% reduction in carbon intensity compared to 2019 levels. This represents 100% of senior executives in IAG.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The IAG CFO has responsibility for approving and providing direction on our sustainability programmes across the Group, including on climate change. As the Group Head of Sustainability reports directly to this individual, this position further strengthens IAG's governance around tackling climate change and enables us to further embed our focus on environmental and social sustainability. Together, the CFO and Head of Sustainability are responsible for delivery of annual carbon efficiency targets supports progress towards the Group 2025 transition plan KPI of 80gCO2/pkm, an 11% reduction in carbon intensity compared to 2019 levels.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Sustainability specialist

☒ Other sustainability specialist, please specify :Group Head of Sustainability

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☒ Achievement of environmental targets

Strategy and financial planning

☒ Achievement of climate transition plan

Emission reduction

☒ Reduction in emissions intensity

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☒ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

The IAG Head of Sustainability is one of 7,500 senior executives and managers in 2023 who had 10% of their annual performance bonus linked to delivery of annual carbon efficiency targets, to support progress towards the Group 2025 transition plan KPI of 80gCO₂/pkm, an 11% reduction in carbon intensity compared to 2019 levels. IAG has been committed to climate-related incentives for managers since the 2019 launch of its Flightpath Net Zero strategy. The IAG MC, Remuneration Committee and IAG Board decided that financial incentives linked to climate change would come into force in 2020. Due to the unforeseen impacts of the COVID-19 pandemic, the incentive plan was cancelled in 2020 and in 2021 it focused on measures to help the business navigate the pandemic. From 2022, with the return of more normalised flight and passenger volumes, IAG reinstated a carbon efficiency measure, to further drive progress towards the Flightpath Net Zero 2050 commitment. The annual gCO₂/pkm measures are based on the fuel efficiency of flight operations, taking account of airline and Group route networks, aircraft mix and passenger load factors

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The IAG Head of Sustainability reports to the CFO and is responsible for delivery of annual carbon efficiency targets supports progress towards the Group 2025 transition plan KPI of 80gCO₂/pkm, an 11% reduction in carbon intensity compared to 2019 levels

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Chief Procurement Officer (CPO)

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

- ☒ Achievement of environmental targets

Strategy and financial planning

- ☒ Achievement of climate transition plan

Policies and commitments

- ☒ Increased supplier compliance with environmental requirements

Engagement

- ☒ Increased engagement with suppliers on environmental issues
- ☒ Increased value chain visibility (traceability, mapping)

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- ☒ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

As explained above, IAG ensures that all senior executives, including the Chief Procurement Officer, have a proportion of their annual incentives linked to achievement of annual carbon intensity (gCO₂/pkm) targets to delivery of the 2025 transition plan KPI. In addition, the entire Procurement team have sustainability target requirements within their annual incentives including environmental criteria and supplier engagement.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

IAG Global Business Services (IAG GBS) manages interactions with suppliers on behalf of the IAG Group and is responsible for delivering the commitment of net zero Scope 3 emissions by 2050. Through the Supply Chain Sustainability Programme and an ongoing partnership with business sustainability ratings agency EcoVadis, IAG GBS liaises with, supports and monitors suppliers to ensure the Group is on track to deliver net zero emissions by 2050 for all products and services provided to IAG.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

- ☒ Procurement manager

(4.5.1.2) Incentives

Select all that apply

- ☒ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

- ☒ Achievement of environmental targets

Strategy and financial planning

- ☒ Achievement of climate transition plan

Policies and commitments

- ☒ Increased supplier compliance with environmental requirements

Engagement

- ☒ Increased engagement with suppliers on environmental issues
- ☒ Increased value chain visibility (traceability, mapping)

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- ☒ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

The entire Procurement team have sustainability target requirements within their annual incentives including environmental criteria and supplier engagement.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

IAG Global Business Services (IAG GBS) manages interactions with suppliers on behalf of the IAG Group and is responsible for delivering the commitment of net zero Scope 3 emissions by 2050. Through the Supply Chain Sustainability Programme and an ongoing partnership with business sustainability ratings agency EcoVadis, IAG GBS liaises with, supports and monitors suppliers to ensure the Group is on track to deliver net zero emissions by 2050 for all products and services provided to IAG.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☒ Environment/Sustainability manager

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☒ Progress towards environmental targets

Strategy and financial planning

☒ Achievement of climate transition plan

Emission reduction

☒ Implementation of an emissions reduction initiative

☒ Reduction in emissions intensity

Pollution

☒ Other pollution-related metrics, please specify :Waste reduction targets set in IAG Cargo

Engagement

☒ Other engagement-related metrics, please specify :Policy support and deals for Sustainable Aviation Fuels

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☒ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Environment/Sustainability managers operate within IAG head office, as well as all IAG operating companies, responsible for delivering group strategy towards tackling climate change. They form part of the 7,500 senior executives and managers across the business who in 2023 had 10% of their annual performance bonus linked to delivery of annual carbon efficiency targets, to support progress towards the Group 2025 transition plan KPI of 80gCO₂/pkm, an 11% improvement in efficiency compared to 2019 levels. This represents 100% of senior executives in IAG. Annual incentive plans also include a component related to individual performance and KPIs related to this.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

IAG has an internal Sustainability Network of Environment and Sustainability Managers within operating airlines. These individuals have KPIs around successfully delivering projects related to topics such as carbon pricing, fuel efficiency, carbon efficiency and SAF. An example of a key climate mitigation project deliverable in 2023 is securing SAF deals to support delivery of the Group 2030 1 million tonne SAF target. Examples of other key policy deliverables include successful advocacy for policy that supports SAF prices and so attract low carbon fuel project developers to build their SAF refineries in the UK and EU. In specific operating companies, progress towards environmental targets are focussed to the business operation of the operating company. For example, colleagues in IAG Cargo include a climate change management incentive sub-target to deliver progress towards IAG's waste reduction targets set for 2025.

[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☒ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☒ Climate change

(4.6.1.2) Level of coverage

Select from:

☒ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☒ Direct operations

☒ Upstream value chain

☒ Downstream value chain

(4.6.1.4) Explain the coverage

IAG's environmental policy outlines our vision to be a world leading airline group on sustainability. It sets out our commitment to net zero emissions by 2050 across our direct operations and our supply chain. It also details targets to reduce waste and increase recycling across our operations, reduce noise impacts from flying, address material issues across the business and embed sustainability-specific governance into the Group.

(4.6.1.5) Environmental policy content

Environmental commitments

- ☒ Commitment to a circular economy strategy
- ☒ Commitment to comply with regulations and mandatory standards
- ☒ Commitment to take environmental action beyond regulatory compliance
- ☒ Commitment to stakeholder engagement and capacity building on environmental issues
- ☒ Other environmental commitment, please specify :IAG has waste reduction targets to support a circular economy. This includes a zero-based approach to Single-Use-Plastic where possible, and increasing waste recycling and recovery for onboard waste, cargo waste, office waste and maintenance waste

Climate-specific commitments

- ☒ Commitment to net-zero emissions

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- ☒ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

- ☒ Publicly available

(4.6.1.8) Attach the policy

iag-environmental-sustainability-policy-english.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☒ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☒ Science-Based Targets Initiative (SBTi)

☒ Task Force on Climate-related Financial Disclosures (TCFD)

☒ Transition Pathway Initiative

(4.10.3) Describe your organization's role within each framework or initiative

TPI IAG's short- and long-term targets have been independently assessed by the Transition Pathway Initiative (TPI) as 1.5C-aligned and its mid-term target assessed as well-below-2C-aligned. The TPI assessment compared the milestones in the 2021 IAG roadmap with an industry-wide pathway modelled by the International Energy Agency (IEA), taking removals commitments into account. SBTi In 2019 IAG was the first airline group to sign the Business Ambition for 1.5C Pledge and to commit to a transition to net zero emissions by 2050. IAG has sought to work with SBTi to build an understanding of aviation industry pathways to net zero, how these contribute to national and global goals, and how companies and policymakers can drive investment into a low carbon transition. IAG is supporting work led by the Mission Possible Partnership (MPP) and the SBTi to update the 1.5C guidance for the aviation sector. TCFD IAG was an early adopter of the Task Force on Climate-related Financial Disclosures (TCFD) guidelines for climate-related scenario analysis and climate-specific risk assessments. The Group continues with its assessment of climate-related risks, by testing and revising the assumptions on updated forecasts for future business growth and the regulatory context and future carbon pricing.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☒ Yes, we engaged directly with policy makers

☒ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☒ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☒ Paris Agreement

(4.11.4) Attach commitment or position statement

iag-environmental-sustainability-policy-english.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☒ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☒ Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

EU 60340504060-88

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

IAG is part of major associations, such as Airlines 4 Europe (A4E) and Sustainable Aviation UK, as well as national associations through its airlines, through which many sector-wide advocacy actions are developed. In the case of European aviation, efforts are always made to reach consensus on various policies with different airline groups. IAG actively participates in the meetings organised by these associations to discuss different policies and possible sector positions on them, taking as well leadership roles in some sectorial meetings, representing IAG's interest in them but also the association's one. In the case of the EU and the UK, ad-hoc meetings with various EU bodies are also often organized, as well as workshops to share our views on different legal aspects, aiming to contribute proposals that seek the joint benefit of the sector, not just IAG's own interests. An example of these agreements could be the position A4E has taken around the flexibility mechanism included in the ReFuelEU Regulation or the inclusion of cover crops as an eligible feedstock for SAF production in the Renewable Energy Directive. Additionally, IAG has several public positions that it defends in these sector meetings. Furthermore, when deemed appropriate, IAG may participate on its own behalf in various public consultations launched by different governments.

[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

The EU has a "Fit for 55" policy package to lower emissions by 55% by 2030 versus 1990 levels. In 2023, key policies IAG has engaged on are: - EU ETS – on the incorporation of the SAF allowance program. RefuelEU – for the SAF blending mandate, flexibility mechanism and data reporting obligation included in the Regulation. - Energy Taxation Directive - potential taxes on fossil and renewable kerosene. - Renewable Energy Directive III - targets the extension of eligible feedstock for SAF

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☒ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Financial mechanisms (e.g., taxes, subsidies, etc.)

☒ Emissions trading schemes

- ☒ Subsidies for renewable energy projects
- ☒ Other financial mechanisms, please specify :See description of EU Fit for 55 policies)

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

- ☒ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

- ☒ EU27

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

- ☒ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

IAG supports the Fit for 55 package and EUs climate ambition and is working together with governments to accelerate the aviation industrys green transition. The areas where IAG is proposing an alternative approach are the following ones: - IAG supports a 10% SAF mandate for 2030 for flights within the EU. As part of our climate commitment, in addition to a 10% SAF mandate for intra-EU flights by 2030 we are calling for a global SAF commitment covering all international flights through ICAO. An ICAO commitment is an effective way to increase SAF supply globally. - IAG is calling for governments to introduce further measures to incentivize SAF, to put in place more support to attract investment and kick start the construction of new plants now. - Taxing flights in the EU will not cut emissions, but it will limit airline's ability to invest in greener technologies. It is critical to avoid competitive distortion, which will put European aviation at a disadvantage damaging connectivity, jobs and tourism. -IAG also requests that governments simplify the requirements for airlines by streamlining their environmental compliance processes and digitizing procedures, especially for the reporting of data included in the ReFuel regulations and the EU ETS. Additionally, it is requested that regulations be accompanied by scientific consensus, so that the efforts of airlines are meaningful and contribute to a lower-carbon economy.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- ☒ Regular meetings
- ☒ Discussion in public forums
- ☒ Participation in working groups organized by policy makers

- ☒ Responding to consultations
- ☒ Submitting written proposals/inquiries
- ☒ Participation in voluntary government programs

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The Fit for 55 package will have a key impact on achieving IAG's climate transition plan because it could drive uptake of, and investment into, low-carbon technologies for aviation like sustainable aviation fuel. As a result of the proposed SAF mandates, which increase over time, IAG expects up to 75% of fuel in 2050 to be from SAF. The EU needs to provide price support for SAF to enable investment. Some proposed elements of the 'Fit for 55' package are not helpful to delivery of the transition plan. For example, taxing flights in the EU will not cut emissions but it will limit airline's ability to invest in greener technologies. It is also critical for policies to avoid competitive distortion which will put European aviation at a disadvantage damaging connectivity, jobs and tourism

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

- ☒ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

- ☒ Paris Agreement

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Following publication of its Jet Zero Strategy, the UK Government launched consultations in 2023 to develop its carbon market (the UK Emissions Trading System), and propose policy designed to scale the supply of sustainable alternative fuels in the UK, through introduction of a SAF mandate and revenue certainty mechanism for SAF production.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☒ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Financial mechanisms (e.g., taxes, subsidies, etc.)

☒ Subsidies for low-carbon, non-renewable energy projects

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☒ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☒ United Kingdom of Great Britain and Northern Ireland

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☒ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

IAG supports the high-level goals of the Jet Zero Strategy and a higher ambition on SAF as part of delivering net zero emissions by 2050. The areas where IAG is proposing an alternative approach are the following ones: - We support a SAF mandate on intra-EU and UK flights, and we are calling for a global SAF commitment covering all international flights through ICAO. - We support the additional introduction of a price stability mechanism such as contracts-for-difference mechanism to support SAF and hydrogen development in the UK. - We support the recycling of EU/UK ETS funds back into innovation and new technology support schemes

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- ☒ Ad-hoc meetings
- ☒ Regular meetings
- ☒ Discussion in public forums
- ☒ Responding to consultations
- ☒ Submitting written proposals/inquiries
- ☒ Participation in voluntary government programs
- ☒ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The UK's policies related to carbon trading and SAF are very important for enabling IAG's climate transition plan because they could drive uptake of, and investment into, low-carbon technologies for aviation like sustainable aviation fuel. As a result of the proposed SAF mandates, which increase over time, IAG expects up to 75% of fuel in 2050 to be from SAF. The UK urgently needs to provide price support mechanisms for SAF to drive investment into production facilities and to compete with the US and EU.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

- ☒ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

- ☒ Paris Agreement

Row 3

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

IAG supports carbon pricing as a key instrument to determine both the pace of emissions reductions for the aviation industry and the balance of in-sector and out-of-sector reductions. We support the global CORSIA scheme, and expect to use carbon removals to meet an increasing share of CORSIA obligations between 2024 and 2035, conditional on appropriate policy, and supports wider guidance on how to transition to removals such as the Oxford Offsetting Principles.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☒ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Financial mechanisms (e.g., taxes, subsidies, etc.)

☒ Carbon offsets

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☒ Global

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☒ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

Our exceptions are in support of further strengthening of CORSIA. The areas where IAG is proposing an alternative approach are the following ones: - We support the revision of the CORSIA baseline volume from 2019 emissions levels to a percentage of 2019 levels. - We support the additional introduction of a global ambition on SAF use through the CORSIA scheme - We support the inclusion of carbon removals projects as CORSIA-eligible units We were delighted to see that at the ICAO 41st Assembly in October 2022, countries agreed on a new CORSIA baseline from 2024 onwards, defined as 85% of CO2 emissions in 2019, and on revised

percentages for the sectoral and individual growth factors to be used for the calculation of offsetting requirements from 2030 onwards. This strengthens CORSIA as a global instrument to address climate change.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- ☒ Regular meetings
- ☒ Discussion in public forums
- ☒ Participation in working groups organized by policy makers
- ☒ Responding to consultations
- ☒ Submitting written proposals/inquiries

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Aviation is a global industry and IAG remains committed to global policy approaches. IAG advocates for carbon pricing as a key instrument to determine both the pace of emissions reductions for the aviation industry and the balance of in-sector and out-of-sector reductions. CORSIA, as a globally agreed and regulated carbon pricing scheme, is instrumental at enabling the global aviation industry to decarbonise, and it needs to be strengthened to ensure all airlines can deliver on the ICAO Long-Term Aspirational Goal of reaching net zero emissions by 2050. It is central to achievement of the IAG transition plan by driving reductions in net emissions.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

- ☒ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☒ Paris Agreement

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

Global

☒ International Air Transport Association

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ Yes, we attempted to influence them but they did not change their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

IATA represents 290 airlines and over 90% of global air traffic, and is committed to net zero emissions by 2050. It made this commitment in October 2021. Between 2019 and 2021, IAG was a global pioneer in building momentum towards, and influencing, the IATA net zero commitment. IAG was the first airline in the world to commit to net zero emissions in October 2019, and then worked with other stakeholders to actively drive net zero commitments for UK aviation, European aviation, and the oneworld global airline alliance - all firsts for national, regional and global aviation. In this sense, IAG delivered on its vision to be the leading airline group on sustainability. In 2023, IAG has worked to influence IATA to support SAF via a globally agreed goal for SAF use. Following this collaboration, we welcomed the decision made by ICAO and its Member States at the third ICAO Conference on Aviation Alternative Fuels (CAAF/3), to strive to achieve a global aspirational vision to reduce CO2 emissions in international aviation by 5% by 2030 through the use of SAF, low-carbon alternative fuels (LCAF) and other aviation clean energies.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

☒ Other trade association in Europe, please specify :Airlines 4 Europe

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Inconsistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ Yes, and they have changed their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

A4E members are collectively committed to net zero emissions by 2050 and to ambitious climate policy that advances low-carbon solutions. In 2022, IAG has supported A4E in responding to the EU's "Fit for 55" package of climate policies. A4E supports the goals of this package and IAG has been working to support industry positions which will help to advance the use of SAF in Europe. Prior to 2022, in February 2021, A4E published the Destination2050 roadmap detailing how the European aviation industry and other key stakeholders could work together to deliver this over the next three decades. This commitment was a step up from the previous commitment of a 50% cut in emissions between 2005 and 2050. IAG played a vital role in influencing progress towards the commitment and developing the roadmap to net zero. IAG committed to net zero emissions before A4E, and a key action taken by IAG was to create an interactive emissions model to support

discussions between airlines on emissions reductions, which helped to progress agreement on the net zero commitment. IAG was one of the founding members of A4E and continues to be actively involved in relation to European climate policy

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

Row 3

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

Global

☒ Other global trade association, please specify :oneworld global alliance

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

The oneworld global airline alliance comprises 14 airlines and is committed to net zero emissions by 2050 and to advancing low-carbon solutions. In 2022 IAG continued to support this position. Since 2020, an IAG representative has been chairing the oneworld Environment and Sustainability Best Practice Group, which meets regularly to discuss environmental action within the alliance. IAG is playing an active and constructive role in advancing low-carbon solutions and more robust environmental management across the alliance members. In September 2021, the alliance published a 30-year roadmap for how the alliance would deliver this outcome, and in October 2021 oneworld also made a collective commitment to using 10 per cent SAF by 2030. The net zero commitment and the roadmap to delivering net zero emissions were a first for a global airline alliance. In 2020 and 2021, IAG influenced these outcomes by driving discussions to secure the initial net zero commitment and then creating modelling templates for the creation of the oneworld emissions roadmap.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

Row 4

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

Global

☒ Other global trade association, please specify :World Economic Forum

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

The World Economic Forum supports efforts to limit warming to 1.5C, and states that they "aim to work with leaders to increase climate commitments, collaborate with partners to develop private initiatives, and provide a platform for innovators to realize their ambition and contribute solutions". IAG has supported these goals over the past several years by contributing expertise to the WEF Cleaner Skies for Tomorrow report on the potential development of SAF, and supported WEF in setting and declaring a 10% SAF by 2030 ambition statement which was launched in September 2021. Both the reports and the ambition statement were public.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

Row 5

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

☒ Other trade association in Europe, please specify :Sustainable Aviation (UK)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Sustainable Aviation (SA) is a coalition of over 40 member organisations which are all part of the UK aviation industry. These include airlines, airports, air traffic service providers, fuel suppliers, carbon removals suppliers, and aircraft manufacturers. More information here: <https://www.sustainableaviation.co.uk/> SA is committed to net zero emissions by 2050 and works to support sustainability initiatives and tackle the challenge of ensuring a cleaner, quieter, smarter future for the UK aviation industry. In 2023, IAG supported this positions by contributing to SA responses to government consultations on the UK Jet Zero Strategy and UK ETS reform, as well as supporting the development of an updated roadmap to net zero launched in April 2023. IAG continues to sit on SA working groups to support further development of the industry roadmap to net zero emissions, and engagement with UK policymakers and other key stakeholders on delivering decarbonisation.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☒ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☒ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

- ☒ GRI
- ☒ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- ☒ Climate change

(4.12.1.4) Status of the publication

Select from:

- ☒ Complete

(4.12.1.5) Content elements

Select all that apply

- | | |
|---|--|
| ☒ Strategy | ☒ Value chain engagement |
| ☒ Governance | ☒ Biodiversity indicators |
| ☒ Emission targets | ☒ Public policy engagement |
| ☒ Emissions figures | ☒ Water accounting figures |
| ☒ Risks & Opportunities | |

(4.12.1.6) Page/section reference

Strategic Report section of Annual Report.

(4.12.1.7) Attach the relevant publication

iag091-en-ara_2023 (3).pdf

(4.12.1.8) Comment

IAG is required to prepare a Management Report in accordance with Article 262 of the Spanish Companies Act and Article 49 of the Spanish Commercial Code. Pursuant to this legislation, this Management Report must contain a fair review of the progress of the business and the performance of the Group, together with a description of the principal risks and uncertainties that it faces. In the preparation of this report, IAG has taken into consideration the guide published in 2013 by the

Spanish National Securities Market Commission (CNMV) which establishes a number of recommendations for the preparation of management reports of listed companies. The Management Report is composed of the following sections: 16 Business at a glance 18 Business model 20 Strategic imperatives 23 Key performance indicators 38 Financial overview 40 Financial review 54 Regulatory environment 73 Sustainability 113 Risk management and principal risk factors.

Row 2

(4.12.1.1) Publication

Select from:

- ☒ In other regulatory filings

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- ☒ Climate change

(4.12.1.4) Status of the publication

Select from:

- ☒ Complete

(4.12.1.5) Content elements

Select all that apply

- | | |
|---|---|
| ☒ Strategy | ☒ Value chain engagement |
| ☒ Governance | ☒ Public policy engagement |
| ☒ Emission targets | ☒ Content of environmental policies |
| ☒ Emissions figures | |
| ☒ Risks & Opportunities | |

(4.12.1.6) Page/section reference

Whole document.

(4.12.1.7) Attach the relevant publication

(4.12.1.8) Comment

The IAG Non-Financial Information Statement was prepared to comply with the requirements of Spanish Law 11/2018, of December 28, 2018 on non-financial information and diversity (amending the Commercial Code, the revised Capital Companies Law approved by Legislative Royal Decree 1/2010, of July 2, 2010 and Audit Law 22/2015, of July 20, 2015), and forms part of the Group's Management Report.

Row 3

(4.12.1.1) Publication

Select from:

☒ In voluntary communications

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☒ Climate change

(4.12.1.4) Status of the publication

Select from:

☒ Complete

(4.12.1.5) Content elements

Select all that apply

☒ Strategy

☒ Emission targets

☒ Other, please specify :Storage of ESG documentation including Flightpath Net Zero strategy, CDP responses and Environmental policy.

(4.12.1.6) Page/section reference

IAG's website - sustainability pages.

(4.12.1.7) Attach the relevant publication

IAG sustainability website page.pdf

(4.12.1.8) Comment

IAG has a dedicated section towards communicating our strategy and progress towards its climate change objectives on the IAG website. A screenshot of our website is attached as the relevant publication, but can be accessed at: <https://www.iairgroup.com/sustainability/>

Row 4

(4.12.1.1) Publication

Select from:

☒ In voluntary communications

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☒ Climate change

(4.12.1.4) Status of the publication

Select from:

☒ Complete

(4.12.1.5) Content elements

Select all that apply

☒ Strategy

☒ Emission targets

(4.12.1.6) Page/section reference

IAG FlightPath Net Zero Strategy document

(4.12.1.7) Attach the relevant publication

flightpath-net-zero-en-v3.pdf

(4.12.1.8) Comment

In 2019, IAG designed and adopted the industry leading Flightpath Net Zero strategy in response to the need for more ambitious action on climate change. The Group maintains its commitment to net zero emissions by 2050.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☒ Yes

(5.1.2) Frequency of analysis

Select from:

☒ Annually

Water

(5.1.1) Use of scenario analysis

Select from:

☒ No, and we do not plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☒ Judged to be unimportant or not relevant

(5.1.4) Explain why your organization has not used scenario analysis

LAG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption.

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☒ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Policy

☒ Market

☒ Liability

☒ Reputation

☒ Technology

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ Unknown

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☒ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

☒ Global regulation

☒ Level of action (from local to global)

☒ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Assumptions align to those covered in risk assessments performed for TCFD and ERM management.

(5.1.1.11) Rationale for choice of scenario

IAG carried out TCFD-aligned scenario analysis in 2018, 2021, 2022 and 2023 and plans to repeat it annually. In 2023, IAG reviewed the high-level physical impacts of a 3C scenario in 2030, based on external analysis of the temperature impact of government policies post-COP26 from sources such as the latest UN Emissions Gap Report, UN NDC Synthesis Report, and Climate Action Tracker. The scenario analysis reviewed four types of TCFD-aligned impacts: market, policy, regulatory and technology and considered both qualitative and quantitative impacts.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☒ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Market

☒ Liability

☒ Reputation

☒ Technology

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ Unknown

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☒ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

☒ Global regulation

☒ Level of action (from local to global)

☒ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Assumptions align to those covered in risk assessments performed for TCFD and ERM management.

(5.1.1.11) Rationale for choice of scenario

IAG carried out TCFD-aligned scenario analysis in 2018, 2021, 2022 and 2023 and plans to repeat it annually. In 2023, IAG reviewed the high-level physical impacts of a 2C scenario in 2030, based on external analysis of the temperature impact of government policies post-COP26 from sources such as the latest UN Emissions Gap Report, UN NDC Synthesis Report, and Climate Action Tracker. The scenario analysis reviewed four types of TCFD-aligned impacts: market, policy, regulatory and technology and considered both qualitative and quantitative impacts.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

- ☒ Bespoke climate transition scenario

(5.1.1.3) Approach to scenario

Select from:

- ☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

- ☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

- | | |
|--|--|
| ☒ Policy | ☒ Acute physical |
| ☒ Market | ☒ Chronic physical |
| ☒ Liability | |
| ☒ Reputation | |
| ☒ Technology | |

(5.1.1.6) Temperature alignment of scenario

Select from:

- ☒ 1.5°C or lower

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☒ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

☒ Global regulation

☒ Level of action (from local to global)

☒ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Assumptions align to those covered in risk assessments performed for TCFD and ERM management.

(5.1.1.11) Rationale for choice of scenario

IAG reviewed the impacts of an "orderly" 1.5C scenario to 2030. "Orderly" and "disorderly" were defined based on the TCFD report: Guidance on Scenario Analysis for Non-Financial Companies. These scenarios compare smooth and idealised climate-related changes with variable, abrupt and disjointed changes. The scenario analysis reviewed four types of TCFD-aligned impacts: market, policy, regulatory and technology and considered both qualitative and quantitative impacts.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☒ Bespoke climate transition scenario

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Policy

☒ Market

☒ Liability

☒ Reputation

☒ Technology

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ 1.5°C or lower

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

- ☒ Global regulation
- ☒ Level of action (from local to global)
- ☒ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Assumptions align to those covered in risk assessments performed for TCFD and ERM management.

(5.1.1.11) Rationale for choice of scenario

IAG reviewed the impacts of a "disorderly" 1.5C scenario to 2030. "Orderly" and "disorderly" were defined based on the TCFD report: Guidance on Scenario Analysis for Non-Financial Companies. These scenarios compare smooth and idealised climate-related changes with variable, abrupt and disjointed changes. The scenario analysis reviewed four types of TCFD- aligned impacts: market, policy, regulatory and technology and considered both qualitative and quantitative impacts.

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

- ☒ Risk and opportunities identification, assessment and management
- ☒ Strategy and financial planning
- ☒ Resilience of business model and strategy
- ☒ Capacity building
- ☒ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☒ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

A key result of the 2023 analysis was that the Group remains resilient to the most material climate-related impacts – industry-wide policy shifts – and these have been quantified and mitigation plans embedded into financial and strategic planning. Industry-wide changes also create opportunities for the Group to move to become more resilient than its competitors. The results also identified that IAG faces significant uncertainty in relation to the global policy, technology and market pathways for aligning with 1.5C by 2030. Key variables include the carbon literacy of consumers and policymakers, the understanding of the aviation industry's hard-to-abate nature, the level of access to new technology, and the ability of civil society to deliver wider carbon reductions this decade. IAG is responding to this result by planning to carry out TCFD-aligned analysis on an annual basis. SAF is a key solution in IAG's transition plan to net zero but remains a developing market, which in many regions is still awaiting policy definition to drive infrastructure investment. IAG considered the role of SAF under its scenario analysis and separates SAF risks into market, policy and technological risks associated with scaling up the global SAF industry within its TCFD analysis. IAG also considers the respective impacts on fulfilling IAG's 2030 commitments and future regulatory obligations, by modelling the impact of regional differences in future SAF supply and costs, associated with different policies (policy risk), SAF feedstock technologies (technology risk) and market prices (market risk). IAG used this modelling to influence SAF strategy and investments.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☒ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☒ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☒ No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

SAF is a key solution in IAG's transition plan to net zero (Section A.1.2. of IAG Annual Report 2023). It reduces carbon emissions on a greenhouse gas lifecycle basis, typically by 80% or more compared with the fossil jet fuels it replaces. IAG remains on track to deliver a 100-fold increase in its SAF volumes between 2022 and 2030, and expects to use SAF for 70% of total fuel in 2050. IAG expects that 80% of our emissions will be reduced through the global expansion of SAF technologies and new aircraft. For residual emissions, IAG supports the inclusion of carbon removals in industry decarbonisation pathways, and in external assessments of support for the 1.5C global ambition.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☒ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

IAG is transparent about its climate change plans, which are approved by the Board. Since 2019 each IAG Annual Report has included the latest version of our roadmap to net zero emissions in 2050, accounting for the latest developments, as well as actions taken to advance progress towards that goal. Where relevant, sustainability updates are included in Group quarterly results presentations, and the IAG Investor Relations team also regularly engages with investors on sustainability-related questions. For information, in the most recent assessment of IAG by TPI, IAG had both its short-, and long-term climate targets assessed as 1.5C- aligned and its medium-term target assessed as well-below-2C aligned.

(5.2.9) Frequency of feedback collection

Select from:

☒ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

IAG's transition plan is underpinned by five key pillars of decarbonisation. These include new aircraft and operations, sustainable aviation fuels, carbon removals, market based measures and offsets, and supply chain decarbonisation. Changes to our roadmap in 2023 focus on increasing the use of SAF in our operations in the short term, and our investment in carbon removals before 2030. Beyond 2030, it maintains an assumption that hydrogen aircraft will be introduced to the fleet from 2040, and a 5% emissions saving from airspace modernisation will be achieved by 2050. IAG recognises that policies designed to support the development of SAF globally are currently fragmented and take different forms. The Group is therefore working closely with policymakers and industry to support the development of appropriate SAF policies needed to provide a strong investment signal and to scale up supply to meet sector demands.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

IAG's transition plan focuses on reducing CO₂ from jet fuel use, as this represents over 99% of Scope 1 emissions. The Group measures its full carbon footprint and tracks multiple metrics each quarter to ensure progress on tackling climate change. 2023 saw strong progress against the key metric of carbon efficiency. IAG delivered a 3.6% annual improvement to 80.5 gCO₂/pkm in 2023, and the Group is on track to deliver our carbon efficiency target of 80.0 gCO₂/pkm by 2025, accounting for emissions reductions achieved from SAF.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

consolidated-statement-of-non-financial-information-2023 (1).pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☒ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☒ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☒ Products and services

- ☒ Upstream/downstream value chain
 - ☒ Investment in R&D
 - ☒ Operations
- [Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Through identifying and assessing climate-related opportunities and risks, IAG recognises that customer interest around minimising the environmental impact of flying is both a market-related climate risk, and an opportunity. Over the time horizon of the next two years and beyond, this risk will influence IAG's strategy in terms of the products and services we offer customers who already choose to fly with us, and to those who might. As well as mitigating our climate impacts, the existence of a clear green service offering to customers can attract and retain them and also mitigate the option of customers choosing to travel less frequently, less far, or choose different travel modes. In 2022, all IAG airlines expanded their offers of sustainable products and services for customers. This included British Airways and Vueling which offer customers to voluntarily purchase SAF emissions reductions. Because SAF feedstocks absorb CO2 over their lifecycle, and use of SAF reduces the use of fossil fuels, an enhanced SAF programme will enable more customers to fly on flights using SAF and so receive a service with a lower overall climate impact. Longer term, climate-related regulatory action could affect the services we offer customers in terms of our route network – e.g. if UK or Spanish regulators followed the example of French regulators in 2021 and banned specific shorthaul flights (although this is currently seen as unlikely).

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

In 2023, IAG had over 15,000 suppliers operating all over the world. Over a timeframe of the next five years and beyond, the activities of these suppliers could face new climaterelated regulations (e.g. the EU Taxonomy) and face technology change (e.g. greater use of renewable power and carbon removals) as part of the transition to a net zero world. The ability of suppliers to respond to new rules and adopt new low-carbon technologies could affects the cost of the goods and services they provide to IAG. This risk affects IAG strategy in terms of which suppliers we choose to work with, the operating costs of managing and doing business with them, and our procurement processes. In 2022, IAG GBS continued to work with EcoVadis and 74% of suppliers by spend submitted ESG scorecards. IAG GBS continues to engage with, support and monitor suppliers to ensure all products and services provided to IAG are on a path to net zero by 2050 as part of our net zero Scope 3 commitment.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate related risks and opportunities directed IAG's 2023 R&D investment programme. Aviation is recognised as a hard-to-abate sector, with limited options to decarbonise in the short-term. Research, development, and scaling of new technologies will be key to delivering our Flightpath Net Zero strategy over a timeframe to 2050, reducing emissions and mitigating our exposure to emerging climate regulatory risks. For example, 45% of carbon reductions in 2050 will come from new aircraft, and the rate of development of zero-emission aircraft and our ability to access such aircraft when they become available, will affect our climate-related compliance costs on intra-European routes. Our strategic venture capital investment programme and start-up engagement programme have both supported the Group strategy to be the leading airline group in sustainability. For example, our Venture Capital fund has made several investments into new technology companies in support of our strategy. One such investment was made by Hangar 51 through British Airways into ZeroAvia, a pioneer of hydrogen powered flight. In 2021 British Airways made the first equity investment by an airline into hydrogen flight globally; ZeroAvia flew the world's first commercial hydrogen-powered flight in September 2020. Another investment was made into LanzaJet, a company developing SAF from sustainably sourced ethanol. Use of their technology will support our commitment for the IAG fleet using 10% SAF by 2030.

Operations

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

To 2030 and beyond, IAG faces the climate-related regulatory risk of increasing costs to comply with the EU, Swiss and UK Emissions Trading Schemes (ETS). To illustrate, annual average prices in the EU ETS rose from 16/tCO2e in 2018 to 84/tCO2e in 2023, and are expected to rise up to [Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

- ☒ Revenues
- ☒ Direct costs
- ☒ Indirect costs
- ☒ Access to capital
- ☒ Capital allocation

- ☒ Capital expenditures

(5.3.2.2) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

- ☒ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Sustainability considerations are embedded into all financial business plans and accordingly into the associated financial planning. To give one example, as part of IAG's financial planning, we need to regularly finance new aircraft that we acquire for our fleet. This process is influenced by climate-related regulatory risks and opportunities. In 2022, as a result of that planning, we engaged with financiers, lessors, and capital markets to secure sustainability-linked financing for new Iberia and British Airways aircraft linked to 2025 carbon intensity levels. If these airlines do not meet specific carbon efficiency targets then the rate of interest the Group incurs on such financing is increased. The result of this financing arrangement is to introduce financial incentives to the Group airlines to achieve their sustainability-related objectives and drive a similar change across the wider industry

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: ☒ Yes	Select all that apply ☒ A sustainable finance taxonomy	Select from: ☒ At both the organization and activity level

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☒ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☒ Total across climate change mitigation and climate change adaption

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☒ Yes

(5.4.1.5) Financial metric

Select from:

☒ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

0

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

0

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

0

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

0

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

0

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

100

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

objectives, with the first two only applicable in 2022 and all six now applicable for 2023: 1 Climate change mitigation; 2 Climate change adaptation; 3 Sustainable use and protection of water and marine resources; 4 Transition to a circular economy; 5 Pollution prevention and control; and, 6 Protection and restoration of biodiversity and ecosystems. The EU Taxonomy Regulation also sets out 4 overarching conditions that an economic activity must meet in order to qualify as environmentally

sustainable and accordingly able to be reported as taxonomy aligned: 1 Making a substantial contribution to at least one environmental objective; 2 Doing no significant harm to any of the other five environmental objectives; 3 Complying with minimum safeguards; and, 4 Complying with the detailed technical screening criteria set out in the EU Taxonomy Regulation delegated acts. The EU Taxonomy Regulation provides detailed substantial contribution criteria to ensure that the associated economic activity has either a substantial positive impact on one of the six aforementioned environmental objectives or substantially reduces the negative impact on the environment. The most relevant objective for the Group is Climate Mitigation – however, the addition of the other four environmental objectives also bought in the categories of Circular Economy, Pollution Prevention and Water which also had relevant activities for the group. These substantial contribution criteria vary by economic activity and each economic activity can apply to more than one environmental objective. In 2023, the Group determined that no activities were able to meet the full criteria for taxonomy alignment. This was partly due to the fact that the basis for alignment is EU legislation and generally goes much further than legal compliance. With our global supply base, a number of suppliers were unable to provide the detailed evidence required. For those economic activities introduced via amending Delegated Regulation EU 2021/2139 on 21 November 2023 (aircraft and ground handling) alignment reporting is only required for the year to 31 December 2024 and as such is excluded from the Group's alignment reporting in 2023.

[Add row]

(5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Row 1

(5.4.2.1) Economic activity

Select from:

☒ Passenger and freight air transport

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☒ Taxonomy-eligible, alignment not assessed

(5.4.2.4) Financial metrics

Select all that apply

- ☒ Turnover
- ☒ CAPEX
- ☒ OPEX

(5.4.2.12) Taxonomy-eligible, alignment not assessed turnover from this activity as % of total turnover in reporting year

89.3

(5.4.2.19) Taxonomy-eligible, alignment not assessed CAPEX associated with this activity as % of total CAPEX in the reporting year

80.8

(5.4.2.26) Taxonomy-eligible, alignment not assessed OPEX with this activity as % of total OPEX in the reporting year

85.7

(5.4.2.27) Calculation methodology and supporting information

The Group has established internal processes for the data collection, validation and reporting of taxonomy data through the established governance structure described in section C.2 of the annual report and accounts. The Group utilises a seven step process in preparing its taxonomy disclosures: 1 Identification of applicable economic activities – IAG Group Sustainability and IAG Group Finance undertake the initial scoping as to which economic activities are applicable to the operations of the Group. Representatives from the sustainability and finance functions of each operating company validate the completeness of this identification; 2 Determination of assessment factors – where judgement is required to be applied in the application of the EU Taxonomy Regulation, IAG Group Sustainability and IAG Group Finance develop a standardised approach to such application; 3 Training on existing and new regulation – annually IAG Group Sustainability and IAG Group Finance undertake workshops across the Group to ensure all relevant members of the sustainability and finance communities involved in taxonomy are trained on the existing methodology, changes in regulations and key judgements applied; 4 Standardised reporting – IAG Group Sustainability and IAG Group Finance have developed standardised reporting templates for the quantification, by economic activity, of taxonomy-eligible as well as the detailed specific technical screening criteria, the DNSH criteria and the minimum safeguards to derive the taxonomy-aligned quantification; 5 Review and validation – IAG Group Sustainability and IAG Group Finance validate this information across operating companies and consolidate the information; 6 Quantitative threshold for reporting – the Group has developed a quantitative threshold of 2 million below which the Group assumes such taxonomy-eligible activities are not taxonomy-aligned. This assessment is performed at an individual economic activity level and by each operating company; and 7 Reporting – IAG Group Sustainability and IAG Group Finance calculate the associated consolidated KPI metrics for eligibility and alignment.

(5.4.2.33) Attach any supporting evidence

Row 2

(5.4.2.1) Economic activity

Select from:

☒ Manufacturing of aircraft

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☒ Taxonomy-eligible, alignment not assessed

(5.4.2.4) Financial metrics

Select all that apply

☒ Turnover

(5.4.2.12) Taxonomy-eligible, alignment not assessed turnover from this activity as % of total turnover in reporting year

2.3

(5.4.2.27) Calculation methodology and supporting information

The Group has established internal processes for the data collection, validation and reporting of taxonomy data through the established governance structure described in section C.2 of the annual report and accounts. The Group utilises a seven step process in preparing its taxonomy disclosures: 1 Identification of applicable economic activities – IAG Group Sustainability and IAG Group Finance undertake the initial scoping as to which economic activities are applicable to the operations of the Group. Representatives from the sustainability and finance functions of each operating company validate the completeness of this identification; 2 Determination of assessment factors – where judgement is required to be applied in the application of the EU Taxonomy Regulation, IAG Group Sustainability and IAG Group Finance develop a standardised approach to such application; 3 Training on existing and new regulation – annually IAG Group Sustainability and IAG

Group Finance undertake workshops across the Group to ensure all relevant members of the sustainability and finance communities involved in taxonomy are trained on the existing methodology, changes in regulations and key judgements applied; 4 Standardised reporting – IAG Group Sustainability and IAG Group Finance have developed standardised reporting templates for the quantification, by economic activity, of taxonomy-eligible as well as the detailed specific technical screening criteria, the DNSH criteria and the minimum safeguards to derive the taxonomy-aligned quantification; 5 Review and validation – IAG Group Sustainability and IAG Group Finance validate this information across operating companies and consolidate the information; 6 Quantitative threshold for reporting – the Group has developed a quantitative threshold of 2 million below which the Group assumes such taxonomy-eligible activities are not taxonomy-aligned. This assessment is performed at an individual economic activity level and by each operating company; and 7 Reporting – IAG Group Sustainability and IAG Group Finance calculate the associated consolidated KPI metrics for eligibility and alignment.

(5.4.2.33) Attach any supporting evidence

consolidated-statement-of-non-financial-information-2023 (1).pdf

Row 3

(5.4.2.1) Economic activity

Select from:

☒ Air transport ground handling operations

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☒ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☒ Taxonomy-eligible, alignment not assessed

(5.4.2.4) Financial metrics

Select all that apply

☒ Turnover

(5.4.2.12) Taxonomy-eligible, alignment not assessed turnover from this activity as % of total turnover in reporting year

(5.4.2.27) Calculation methodology and supporting information

The Group has established internal processes for the data collection, validation and reporting of taxonomy data through the established governance structure described in section C.2 of the annual report and accounts. The Group utilises a seven step process in preparing its taxonomy disclosures: 1 Identification of applicable economic activities – IAG Group Sustainability and IAG Group Finance undertake the initial scoping as to which economic activities are applicable to the operations of the Group. Representatives from the sustainability and finance functions of each operating company validate the completeness of this identification; 2 Determination of assessment factors – where judgement is required to be applied in the application of the EU Taxonomy Regulation, IAG Group Sustainability and IAG Group Finance develop a standardised approach to such application; 3 Training on existing and new regulation – annually IAG Group Sustainability and IAG Group Finance undertake workshops across the Group to ensure all relevant members of the sustainability and finance communities involved in taxonomy are trained on the existing methodology, changes in regulations and key judgements applied; 4 Standardised reporting – IAG Group Sustainability and IAG Group Finance have developed standardised reporting templates for the quantification, by economic activity, of taxonomy-eligible as well as the detailed specific technical screening criteria, the DNSH criteria and the minimum safeguards to derive the taxonomy-aligned quantification; 5 Review and validation – IAG Group Sustainability and IAG Group Finance validate this information across operating companies and consolidate the information; 6 Quantitative threshold for reporting – the Group has developed a quantitative threshold of 2 million below which the Group assumes such taxonomy-eligible activities are not taxonomy-aligned. This assessment is performed at an individual economic activity level and by each operating company; and 7 Reporting – IAG Group Sustainability and IAG Group Finance calculate the associated consolidated KPI metrics for eligibility and alignment.

(5.4.2.33) Attach any supporting evidence

consolidated-statement-of-non-financial-information-2023 (1).pdf
[Add row]

(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

(5.4.3.1) Details of minimum safeguards analysis

The EU Taxonomy Regulation defines the minimum safeguards as due diligence and remedy procedures implemented by a company that is carrying out an economic activity in order to ensure alignment with the Organisation for Economic Cooperation and Development Guidelines for Multinational Enterprises (OECD MNEs) and the UN Guiding Principles on Business and Human Rights (UNGP). The latter includes the principles and rights set out in eight of the ten fundamental conventions identified in the International Labour Organisation (ILO) Declaration of the on Fundamental Principles and Rights at Work and the International Bill of Human Rights. The Group complies at all times with the requirements of the OECD MNE. In addition, the Group considers respect and the upholding of human rights as a critical cornerstone of its operations and is embedded within its Code of Conduct. The Group considers that it complies with the UNGP. Accordingly, the Group considers that all taxonomy-eligible activities are compliant with the minimum safeguard requirements of the EU Taxonomy Regulation

(5.4.3.2) Additional contextual information relevant to your taxonomy accounting

The Group prepares its disclosures in accordance with the Delegated Act EU 2021/2178 (enacted 4 June, 2021), the associated Delegated Regulation EU 2021/2139 (enacted 6 July, 2021), the amendments to Delegated Regulation EU 2021/2139 (enacted 21 November, 2023) (referred to as the Amended Delegated Regulation), several Commission Notices containing answers to frequently asked questions, the annually updated EU Taxonomy User Guide and the EU Taxonomy Compass (a website that offers a range of online tools to enable users to better understand the EU Taxonomy Regulation and the associated reporting obligations)

(5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Select from:

☒ Yes

[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:

☒ Yes

(5.5.2) Comment

Aviation is recognised as a hard-to-abate sector, with limited options to decarbonise in the short-term. Research, development, and scaling of new technologies will be key to delivering our Flightpath Net Zero strategy over a timeframe to 2050, reducing emissions and mitigating our exposure to emerging climate regulatory risks. For example, 45% of carbon reductions in 2050 will come from new aircraft, and the rate of development of zero-emission aircraft and our ability to access such aircraft when they become available, will affect our climate-related compliance costs on intra-European routes. Our strategic venture capital investment programme and start-up engagement programme have both supported the Group strategy to be the leading airline group in sustainability. For example, our Venture Capital fund has made several investments into new technology companies in support of our strategy. One such investment was made by Hangar 51 through British Airways into ZeroAvia, a pioneer of hydrogen powered flight. In 2021 British Airways made the first equity investment by an airline into hydrogen flight globally; ZeroAvia flew the world's first commercial hydrogen-powered flight in September 2020. Another investment was made into LanzaJet, a company developing SAF from sustainably sourced ethanol. Use of their technology will support our commitment for the IAG fleet using 10% SAF by 2030. As of 31 December 2023, our total investment in SAF

reached 1 billion, of which 86% is future commitments, based on assumed energy prices. IAG is committed to supporting a variety of innovative carbon removals solutions and is considering projects that are immediately available and independently verified today, as well as more innovative technology solutions. Our investment in Greenhouse Gas Removal (GGR) technologies involves a combination of forward delivery procurement and project financial support, facilitating the scale-up of GGR technologies alongside relevant government support.

[Fixed row]

(5.5.8) Provide details of your organization's investments in low-carbon R&D for transport-related activities over the last three years.

Row 1

(5.5.8.1) Activity

Select all that apply

☒ Aviation

(5.5.8.2) Technology area

Select from:

☒ Alternative fuels

(5.5.8.3) Stage of development in the reporting year

Select from:

☒ Applied research and development

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

100% of R&D investment on alternative fuels is specifically for low-carbon fuels. Low-carbon fuels (sustainable aviation fuels) are a key part of the IAG transition plan to net zero, with up to 70% of fuel in 2050 expected to be SAF. In 2023, IAG reached new milestones for driving forward SAF production, with 1 billion total investment in SAF as of December 31, of which 86% is in future commitments (based on an assumed jet fuel price of 800 per metric tonne and contracted margins for SAF production). This secures 33% of the 2030 target volume of 1 million tonnes. IAG continues to work with technology developers to establish a range of SAF supply options for the future, and to support wider research into SAF. Representatives also participate in academic boards and public-private partnerships to support

new technologies and innovation. IAG has also invested in air quality research by the donation of an APU to a UK university, to help demonstrate that SAF burns more cleanly than fossil fuels.

Row 2

(5.5.8.1) Activity

Select all that apply

☒ Aviation

(5.5.8.2) Technology area

Select from:

☒ Alternative fuels

(5.5.8.3) Stage of development in the reporting year

Select from:

☒ Small scale commercial deployment

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

100% of R&D investment on alternative fuels is specifically for low-carbon fuels. Low-carbon fuels (sustainable aviation fuels) are a key part of the IAG transition plan to net zero, with up to 70% of fuel in 2050 expected to be SAF. In 2023, IAG reached new milestones for driving forward SAF production, with 1 billion total investment in SAF as of December 31, of which 86% is in future commitments (based on an assumed jet fuel price of 800 per metric tonne and contracted margins for SAF production). This secures 33% of the 2030 target volume of 1 million tonnes. IAG continues to work with technology developers to establish a range of SAF supply options for the future, and to support wider research into SAF. Representatives also participate in academic boards and public-private partnerships to support new technologies and innovation. IAG has also invested in air quality research by the donation of an APU to a UK university, to help demonstrate that SAF burns more cleanly than fossil fuels.

Row 3

(5.5.8.1) Activity

Select all that apply

☒ Aviation

(5.5.8.2) Technology area

Select from:

☒ Alternative fuels

(5.5.8.3) Stage of development in the reporting year

Select from:

☒ Large scale commercial deployment

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

100% of R&D investment on alternative fuels is specifically for low-carbon fuels. Low-carbon fuels (sustainable aviation fuels) are a key part of the IAG transition plan to net zero, with up to 70% of fuel in 2050 expected to be SAF. In 2023, IAG reached new milestones for driving forward SAF production, with 1 billion total investment in SAF as of December 31, of which 86% is in future commitments (based on an assumed jet fuel price of 800 per metric tonne and contracted margins for SAF production). This secures 33% of the 2030 target volume of 1 million tonnes. IAG continues to work with technology developers to establish a range of SAF supply options for the future, and to support wider research into SAF. Representatives also participate in academic boards and public-private partnerships to support new technologies and innovation. IAG has also invested in air quality research by the donation of an APU to a UK university, to help demonstrate that SAF burns more cleanly than fossil fuels.

[Add row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

0

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

0

(5.9.3) Water-related OPEX (+/- % change)

0

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

0

(5.9.5) Please explain

Water is not a material issue for IAG.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☒ Yes	Select all that apply ☒ Carbon

[Fixed row]

(5.10.1) Provide details of your organization’s internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

- ☒ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

- ☒ Navigate regulations
- ☒ Drive energy efficiency
- ☒ Drive low-carbon investment
- ☒ Conduct cost-benefit analysis
- ☒ Identify and seize low-carbon opportunities
- ☒ Influence strategy and/or financial planning
- ☒ Setting and/or achieving of climate-related policies and targets
- ☒ Incentivize consideration of climate-related issues in decision making
- ☒ Incentivize consideration of climate-related issues in risk assessment

(5.10.1.3) Factors considered when determining the price

Select all that apply

- ☒ Alignment to scientific guidance
- ☒ Alignment with the price of a carbon tax
- ☒ Alignment with the price of allowances under an Emissions Trading Scheme
- ☒ Cost of required measures to achieve climate-related targets
- ☒ Existing or pending legislation

(5.10.1.4) Calculation methodology and assumptions made in determining the price

Prices for the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) are based on internal analysis and ICAO industry price forecasts.

(5.10.1.5) Scopes covered

Select all that apply

- ☒ Scope 1

(5.10.1.6) Pricing approach used – spatial variance

Select from:

- ☒ Differentiated

(5.10.1.7) Indicate how and why the price is differentiated

IAG emissions fall under the scope of the UK, Swiss and EU ETS and the price of carbon is expected to increase over time as the cap on emissions allowances for aviation and for other sectors reduces. Unit prices in the UK and EU schemes could diverge depending on how national and regional policies evolve. For the period 2023-30, UK ETS prices of 55-89/tonne and EU ETS prices of 84-124/tonne were used for modelling compliance costs. This price range was based on actual ETS allowance prices combined with carbon price forecasts, using the 2017 UK Government Aviation Forecast and Jet Zero Strategy as key reference points.

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☒ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

In line with CORSIA principles, we expect carbon prices to rise as airline emissions rise above the CORSIA baseline (set at 85% of 2019 activity levels) and as eligibility criteria for the use of offsets tighten.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

11

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

25

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☒ Operations

☒ Public policy engagement

☒ Procurement

☒ Risk management

☒ Capital expenditure

☒ Opportunity management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☒ Yes, for some decision-making processes, please specify :The fleet team uses updated carbon prices and price forecasts for shorthaul and longhaul fleet purchasing decisions, the SAF team uses carbon prices to assess procurement opportunities, Group airlines use carbon prices in financial planning

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

71

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☒ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Carbon prices are monitored on a regular basis and IAG considers market prices, government and industry forecasts when making carbon price forecast revisions.

Row 2

(5.10.1.1) Type of pricing scheme

Select from:

☒ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

- | | |
|--|--|
| ☒ Navigate regulations | ☒ Setting and/or achieving of climate-related policies and targets |
| ☒ Drive energy efficiency | ☒ Incentivize consideration of climate-related issues in decision making |
| ☒ Drive low-carbon investment | ☒ Incentivize consideration of climate-related issues in risk assessment |
| ☒ Conduct cost-benefit analysis | |
| ☒ Influence strategy and/or financial planning | |

(5.10.1.3) Factors considered when determining the price

Select all that apply

- ☒ Alignment to scientific guidance
- ☒ Alignment with the price of a carbon tax
- ☒ Alignment with the price of allowances under an Emissions Trading Scheme
- ☒ Existing or pending legislation
- ☒ Price/cost of voluntary carbon offset credits

(5.10.1.4) Calculation methodology and assumptions made in determining the price

UK ETS prices are based on market prices, internal analysis and the UK Department for Transport (DfT) Aviation Forecast.

(5.10.1.5) Scopes covered

Select all that apply

- ☒ Scope 1

(5.10.1.6) Pricing approach used – spatial variance

Select from:

- ☒ Differentiated

(5.10.1.7) Indicate how and why the price is differentiated

IAG emissions fall under the scope of the UK, Swiss and EU ETS and the price of carbon is expected to increase over time as the cap on emissions allowances for aviation and for other sectors reduces. Unit prices in the UK and EU schemes could diverge depending on how national and regional policies evolve. For the period 2023-30, UK ETS prices of 55-89/tonne and EU ETS prices of 84-124/tonne were used for modelling compliance costs. This price range was based on actual ETS allowance prices combined with carbon price forecasts, using the 2017 UK Government Aviation Forecast and Jet Zero Strategy as key reference points.

(5.10.1.8) Pricing approach used – temporal variance

Select from:

- ☒ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

In line with cap-and-trade carbon market principles, we expect carbon costs to rise over time under regulated cap and trade emission markets, as the volume of allowances are reduced in line with government decarbonisation trajectories.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

55

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

89

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

- | | |
|--|--|
| ☒ Operations | ☒ Public policy engagement |
| ☒ Procurement | |
| ☒ Risk management | |
| ☒ Capital expenditure | |
| ☒ Opportunity management | |

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

- ☒ Yes, for some decision-making processes, please specify :The fleet team uses updated carbon prices and price forecasts for shorthaul and longhaul fleet purchasing decisions, the SAF team uses carbon prices to assess procurement opportunities, Group airlines use carbon prices in financial planning

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

22

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

- ☒ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Carbon prices are monitored on a regular basis and IAG considers market prices, government and industry forecasts when making carbon price forecast revisions.

Row 3

(5.10.1.1) Type of pricing scheme

Select from:

- ☒ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

- ☒ Navigate regulations
- ☒ Drive energy efficiency
- ☒ Drive low-carbon investment
- ☒ Conduct cost-benefit analysis
- ☒ Identify and seize low-carbon opportunities
- ☒ Setting and/or achieving of climate-related policies and targets
- ☒ Incentivize consideration of climate-related issues in decision making
- ☒ Incentivize consideration of climate-related issues in risk assessment

(5.10.1.3) Factors considered when determining the price

Select all that apply

- ☒ Alignment to scientific guidance
- ☒ Alignment with the price of a carbon tax
- ☒ Alignment with the price of allowances under an Emissions Trading Scheme
- ☒ Cost of required measures to achieve climate-related targets
- ☒ Existing or pending legislation

(5.10.1.4) Calculation methodology and assumptions made in determining the price

EU ETS price forecasts are based on market research, internal analysis and market prices.

(5.10.1.5) Scopes covered

Select all that apply

☒ Scope 1

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☒ Differentiated

(5.10.1.7) Indicate how and why the price is differentiated

IAG emissions fall under the scope of the UK, Swiss and EU ETS and the price of carbon is expected to increase over time as the cap on emissions allowances for aviation and for other sectors reduces. Unit prices in the UK and EU schemes could diverge depending on how national and regional policies evolve. For the period 2023-30, UK ETS prices of 55-89/tonne and EU ETS prices of 84-124/tonne were used for modelling compliance costs. This price range was based on actual ETS allowance prices combined with carbon price forecasts, using the 2017 UK Government Aviation Forecast and Jet Zero Strategy as key reference points.

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☒ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

In line with cap-and-trade carbon market principles, we expect carbon costs to rise over time under regulated cap and trade emission markets, as the volume of allowances are reduced in line with government decarbonisation trajectories.

(5.10.1.10) Minimum actual price used (currency per metric ton CO₂e)

84

(5.10.1.11) Maximum actual price used (currency per metric ton CO₂e)

124

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

- ☒ Operations
- ☒ Procurement
- ☒ Risk management
- ☒ Capital expenditure
- ☒ Opportunity management
- ☒ Public policy engagement

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

- ☒ Yes, for some decision-making processes, please specify :The fleet team uses updated carbon prices and price forecasts for shorthaul and longhaul fleet purchasing decisions, the SAF team uses carbon prices to assess procurement opportunities, Group airlines use carbon prices in financial planning

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

64

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

- ☒ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Carbon prices are monitored on a regular basis and IAG considers market prices, government and industry forecasts when making carbon price forecast revisions.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	Select from: ☒ Yes	Select all that apply ☒ Climate change
Customers	Select from: ☒ Yes	Select all that apply ☒ Climate change
Investors and shareholders	Select from: ☒ Yes	Select all that apply ☒ Climate change
Other value chain stakeholders	Select from: ☒ Yes	Select all that apply ☒ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

	Assessment of supplier dependencies and/or impacts on the environment
Climate change	Select from: ☒ No, we do not currently assess the dependencies and/or impacts of our suppliers, but we plan to do so within the next two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

- ☒ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

- ☒ Business risk mitigation
- ☒ Procurement spend
- ☒ Strategic status of suppliers
- ☒ Vulnerability of suppliers
- ☒ Other, please specify :Supply chain sustainability programme scorecards

(5.11.2.4) Please explain

IAG Global Business Services (IAG GBS) continues to engage with, support and monitor suppliers to ensure all products and services provided to IAG are on a path to net zero by 2050. As part of our supply chain management objectives and our partnership with EcoVadis, IAG GBS has screened 90% of IAG's spend using EcoVadis scorecards, which means screening more than 550 suppliers. EcoVadis is a market-leading provider of business ESG ratings, which includes an indication of which suppliers are most exposed to impacts of climate change.

[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

- ☒ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☒ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

At IAG, we are committed to doing business ethically, transparently and with integrity. As a diverse set of operating companies, we have embedded a shared understanding of and commitment to the behaviours expected from ourselves and each other. That understanding and commitment extends to our suppliers, who play a critical role in helping us maintain our standards of integrity and sustainability. Our 'Supplier Code of Conduct', which sets out the key principals of conduct and workplace standards we expect from all suppliers working with us. Our 'Supplier Code of Conduct' compliments our internal Code of Conduct, which outlines the standards and behaviours expected of all of us at IAG. The Supplier Code of Conduct continues to be shared with new suppliers as part of the onboarding process. New suppliers are requested to acknowledge their commitment to achieving net zero emissions by 2050, and the need for a roadmap, supported by deliverable plans, to achieve this target.

[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☒ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☒ Supplier scorecard or rating

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☒ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☒ 76-99%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☒ 100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☒ 100%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☒ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☒ 1-25%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☒ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

IAG led the industry by becoming the first airline group worldwide to extend its net zero commitment to its supply chain, reducing Scope 3 emissions by 20% by 2030 and to net zero by 2050. In 2023 the Group continued working with EcoVadis, a market-leading provider of business sustainability ratings, to support the Group in delivering on this goal and in understanding every aspect of sustainability in our supply chain, including the environment, labour and human rights, and ethics. 90% of Suppliers, by spend, submitted an EcoVadis scorecard, which gives them a weighted 0-100 score on sustainability issues, relative to an industry benchmark of 45. These scorecards are providing IAG and its suppliers a baseline for collaborating on emissions reduction and achieving the Scope 3 targets. Supplier representing 6% of spend were found to be below the minimum threshold of 45. This has triggered performance improvement initiatives and engagement between IAG GBS and relevant suppliers, with a goal for all suppliers to move to a level above the threshold. In 2024, IAG GBS will work to have EcoVadis scorecards in place covering 90% of IAG's total spend.

[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Financial incentives

☒ Other financial incentive, please specify :The SCoC continues to be shared with new suppliers as part of the onboarding process. New suppliers are requested to acknowledge their commitment to achieving net zero emissions by 2050, and the need for a roadmap, supported by deliverable plan

Information collection

☒ Collect climate transition plan information at least annually from suppliers

Innovation and collaboration

☒ Invest jointly with suppliers in R&D of relevant low-carbon technologies

☒ Other innovation and collaboration activity, please specify :Improve business sustainability ratings by sharing scorecards

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☒ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

The SCoC continues to be shared with new suppliers as part of the onboarding process. New suppliers are requested to acknowledge their commitment to achieving net zero emissions by 2050, and the need for a roadmap, supported by deliverable plans, to achieve this target. IAG GBS is also partnering with EcoVadis, a market-leading provider of business sustainability ratings, to assess supplier scorecards with a comprehensive methodology covering environment, labour and human rights, ethics and sustainable procurement. This gives IAG and its suppliers a baseline for improvements, and suppliers can share them with customers and other stakeholders, which benefits wider industry sustainability. Once a scorecard is shared with IAG GBS, results are reviewed to ensure the suppliers sustainability performance is aligned with IAG's vision and strategy. If a supplier's performance score is assessed as less than 45 (out of 100), a Corrective Action Plan (CAP) is requested for improvement

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement :Deliverable Net Zero plans by 2050.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Yes

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

- ☒ Emissions reduction

(5.11.7.3) Type and details of engagement

Financial incentives

- ☒ Other financial incentive, please specify :The SCoC continues to be shared with new suppliers as part of the onboarding process.

Information collection

- ☒ Collect climate transition plan information at least annually from suppliers

Innovation and collaboration

- ☒ Invest jointly with suppliers in R&D of relevant low-carbon technologies
- ☒ Other innovation and collaboration activity, please specify :Improve business sustainability ratings by sharing scorecards

(5.11.7.4) Upstream value chain coverage

Select all that apply

- ☒ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

- ☒ 100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

- ☒ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

The SCoC continues to be shared with new suppliers as part of the onboarding process. New suppliers are requested to acknowledge their commitment to achieving net zero emissions by 2050, and the need for a roadmap, supported by deliverable plans, to achieve this target. IAG GBS is also partnering with EcoVadis, a market-leading provider of business sustainability ratings, to assess supplier scorecards with a comprehensive methodology covering environment, labour and human rights, ethics and sustainable procurement. This gives IAG and its suppliers a baseline for improvements, and suppliers can share them with customers and other stakeholders, which benefits wider industry sustainability. Once a scorecard is shared with IAG GBS, results are reviewed to ensure the suppliers sustainability performance is aligned with IAG's vision and strategy. If a supplier's performance score is assessed as less than 45 (out of 100), a Corrective Action Plan (CAP) is requested for improvement

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement :Deliverable net zero plans by 2050

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Yes

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Upstream value chain transparency and human rights

(5.11.7.3) Type and details of engagement

Financial incentives

☒ Other financial incentive, please specify :The SCoC continues to be shared with new suppliers as part of the onboarding process.

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 1-25%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☒ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

The SCoC continues to be shared with new suppliers as part of the onboarding process. New suppliers are requested to acknowledge their commitment to achieving net zero emissions by 2050, and the need for a roadmap, supported by deliverable plans, to achieve this target. IAG GBS is also partnering with EcoVadis, a market-leading provider of business sustainability ratings, to assess supplier scorecards with a comprehensive methodology covering environment, labour and human rights, ethics and sustainable procurement. This gives IAG and its suppliers a baseline for improvements, and suppliers can share them with customers and other stakeholders, which benefits wider industry sustainability. Once a scorecard is shared with IAG GBS, results are reviewed to ensure the suppliers sustainability performance is aligned with IAG's vision and strategy. If a supplier's performance score is assessed as less than 45 (out of 100), a Corrective Action Plan (CAP) is requested for improvement

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ No, this engagement is unrelated to meeting an environmental requirement

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Unknown

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☒ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☒ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☒ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☒ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

IAG continues to make direct investments in new and innovative SAF production capacity, catalysing the wider development of the SAF market. These investments are typically coupled with SAF purchase agreements, which are critical to the financial viability of the new SAF production capacity. This engagement is designed to support IAG meet its target to use 10% SAF by 2030.

(5.11.9.6) Effect of engagement and measures of success

As of 31 December 2023, our total investment in SAF reached 1 billion, of which 86% is future commitments. This is based on an assumed jet fuel price of 800 per metric tonne and contracted margins for SAF production. This is the largest disclosed commitment to SAF by any airline globally. We have now secured one third of the SAF required to meet IAG's 10% SAF by 2030 target.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☒ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☒ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

Innovation and collaboration

☒ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☒ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☒ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Group airlines have offered customers the opportunity to make a financial contribution to support carbon removals projects since 2022. British Airways customers have supported removals projects including mangrove restoration in Pakistan and a biochar project in Oregon, USA. By 2050, IAG will only use carbon removals to mitigate any residual emissions from its operations. IAG will only work with suppliers who do the same, as part of meeting the Group's Scope 3 commitment. IAG is

already encouraging suppliers to transition from offsets to removals as part of a new supplier contract clause which is being rolled out across its supply chain. IAG also offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions.

(5.11.9.6) Effect of engagement and measures of success

Group airlines sold more than 150,000 tonnes of CO2 to customers last year. IAG also allocated around 150 tonnes CO2 towards internal activities, including emissions associated with travel to senior leadership conferences

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☒ Other value chain stakeholder, please specify :Supply chain

(5.11.9.2) Type and details of engagement

Education/Information sharing

☒ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☒ Engage with stakeholders to advocate for policy or regulatory change

Other

☒ Other, please specify :Include sustainability clauses within supplier contracts to support delivery of net zero goals.

(5.11.9.3) % of stakeholder type engaged

Select from:

☒ Unknown

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☒ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

IAG GBS continues to work with stakeholders across the value chain to support delivery of IAG's net zero aims. This includes provisions for sustainability data sharing and alignment in supplier contracts, plus collective policy advocacy through industry groups where applicable.

(5.11.9.6) Effect of engagement and measures of success

IAG continues to foster positive engagement with policymakers by engaging through industry group policy advocacy and sharing understanding of regulatory change on both its operations and value chain. Inclusion of a sustainability related contractual requirements have helped drive positive engagement with the value chain towards accelerating decarbonisation.

[Add row]

(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

Row 1

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

6426

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 2

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

LAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, LAG's programme benefits from: - Higher volume and more stable supply: In 2023 LAG used 53,257 tonnes of SAF. LAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: LAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, LAG's SAF supply is one of the most affordable in the world. - Extensive experience: LAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

3844

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 3

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

5119

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 4

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

15475.2

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 5

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

214

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 6

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90%

reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

0

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 7

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

8831.3

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 8

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

1773

(5.12.11) Please explain

LAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 9

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

7851

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 10

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

LAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, LAG's programme benefits from: - Higher volume and more stable supply: In 2023 LAG used 53,257 tonnes of SAF. LAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: LAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, LAG's SAF supply is one of the most affordable in the world. - Extensive experience: LAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

1130

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 11

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

208

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 12

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

456

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 13

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

7889

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 14

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90%

reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

4050

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 15

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 16

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

4480

(5.12.11) Please explain

LAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 17

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

156

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 18

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

LAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, LAG's programme benefits from: - Higher volume and more stable supply: In 2023 LAG used 53,257 tonnes of SAF. LAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: LAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, LAG's SAF supply is one of the most affordable in the world. - Extensive experience: LAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

0

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

Row 19

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☒ Climate change

(5.12.4) Initiative category and type

Change to provision of goods and services

☒ Other change to provision of goods and services, please specify :Sustainable aviation fuels

(5.12.5) Details of initiative

IAG's corporate SAF programme launched in 2021, and has supplied approximately 10 corporate customers with SAF emissions reductions. Compared to other similar programmes, IAG's programme benefits from: - Higher volume and more stable supply: In 2023 IAG used 53,257 tonnes of SAF. IAG has three active sources of SAF, enabling greater reliability in the event of supply disruptions. - Higher emissions reductions: IAG's SAF supply has consistently achieved a better than 90% reduction in lifecycle GHG emissions and the use of sustainability certification to ensure the sustainability of fuels provided. - Lower prices: thanks to the Heathrow Airport SAF Incentive, IAG's SAF supply is one of the most affordable in the world. - Extensive experience: IAG staff managing the programme previously created the world's largest such corporate SAF programme.

(5.12.6) Expected benefits

Select all that apply

☒ Reduction of own operational emissions (own scope 1 & 2)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☒ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☒ Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

1395

(5.12.11) Please explain

IAG offers corporate customers the opportunity to purchase the emission reductions from SAF to support their own Scope 3 emission reductions. Estimated savings are derived emissions from attributable scope 3 emissions calculated from revenue passenger kilometres in the same year.

[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

(5.13.1) Environmental initiatives implemented due to CDP Supply Chain member engagement

Select from:

☒ No, but we plan to within the next two years

(5.13.2) Primary reason for not implementing environmental initiatives

Select from:

☒ Other, please specify :Organizational changes inside IAG GBS, new members in Procurement and Sustainability, onboarding is required.

(5.13.3) Explain why your organization has not implemented any environmental initiatives

IAG has developed emissions accounting for its scope 3 footprint following collaboration with Watershed, who supported an improved methodology for scope 3 category 1 emissions in 2023. IAG plans to use this information to target key suppliers to reduce their impact on the environment and collaborate on sustainability initiatives. IAG also is committed to taking swift and robust action if any evidence relating to slavery or human trafficking in our business supply chain is identified. IAG is taking steps to prevent human trafficking. Human trafficking is of particular concern to IAG and to the wider aviation industry, as the Group transports millions of passengers every year and has tens of thousands of suppliers across the world. Operating airlines work closely with governments and the airports in which they operate to ensure that any suspected trafficking on our flights is identified, reported and dealt with appropriately. IAG also supports the 2018 IATA resolution denouncing human trafficking and reaffirming a commitment to tackle this issue and the ICAO Guidelines for Reporting Trafficking in Persons by Flight and Cabin Crew – in addition to actively contributing to the ICAO Ad Hoc Working Group on Combating Trafficking in Supply Chain (AHWG-TSP), an international, joint industry-regulatory group providing advice to ICAO assisting in the development of guidance material on combating trafficking in persons in an air operator's supply chain
[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☒ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

IAG consolidates environmental performance data to comply with the requirements of Spanish Law 11/2018, of December 28, 2018 on non-financial information and diversity (amending the Commercial Code, the revised Capital Companies Law approved by Legislative Royal Decree 1/2010, of July 2, 2010 and Audit Law 22/2015, of July 20, 2015), and forms part of the Group's Management Report. The title of this statement complies with the UK Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, SI 2022/31. International Consolidated Airlines Group (IAG) provides information about environmental, social, employee-related, and human rights-related issues, which is relevant to the Company and important for the execution of business activities. The EU Taxonomy Regulation's reporting scope covers the Group's business activities, based on the financial consolidation boundary and for the same reporting period, being the year to 31 December.

Water

(6.1.1) Consolidation approach used

Select from:

☒ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

Water consumption is not a material issue for IAG. However, water use is monitored across the Group and IAG consumed 539,791 m3 of water in 2023 in offices, ground facilities and potable water onboard aircraft.

Plastics

(6.1.1) Consolidation approach used

Select from:

☒ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

Waste data is consolidated at IAG to support IAG's commitment to reduce waste across our operations, including IAG's '5 by 2025' plan that was launched in 2021 that covers five waste streams and five business units, using 2019 figures as the baseline for our targets.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☒ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

Biodiversity is not currently seen as a material issue for IAG, but the business is taking steps to manage and mitigate its impacts on biodiversity where relevant
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☒ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☒ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply ☒ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

- ☒ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- ☒ The Greenhouse Gas Protocol: Scope 2 Guidance

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

- ☒ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

- ☒ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

IAG operating companies monitor electricity consumption throughout the year at physical locations in the UK Ireland Spain and other locations and multiply this by official CO2kWh factors to calculate our CO2e emissions. British Airways leases office space in more than two hundred properties in over 60 countries and Iberia leases space in over 20 countries. Given the difficulty in collecting actual data from all these locations we convert m2 of leased floor space into annual kWh using conversion factors based on British Airways data e.g. 96kWhm2pa for offices. We then multiply this value by IEA national electricity emissions factors in CO2ekWh to estimate electricity use. As per Global Reporting Initiative GRI guidance CO2kWh values are assumed to be equal to CO2ekWh. Relevant buildings include offices cargo buildings hangers and data centres. Facilities at airports such as lounges sometimes use the same electricity supplier as the airport itself so calculating CO2e emissions requires data collection from third parties. In 2020 we moved to a more robust calculation for fixed electrical ground power to aircraft. In 20223, 82% of Group electricity use was from renewable sources up from 54 in 2018. This increase has been driven by increased procurement of renewable electricity and at airports where IAG operates

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☒ Yes

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

30744004.0

(7.5.3) Methodological details

Direct emissions associated with IAG's operations including use of jet fuel, diesel, petrol, natural gas and halon. Sources of emissions include aircraft engines, boilers, auxiliary power units and ground vehicle engines. Gross emissions includes reductions from Sustainable Aviation Fuel (SAF), in line with globally recognised accounting standards. SAF emission reductions are calculated using the volume of SAF uplifted, multiplied by the Life-Cycle Assessment (LCA) carbon saving of the fuel, relative to conventional jet kerosene, and subtracted from our jet fuel emissions.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

74576.0

(7.5.3) Methodological details

Indirect emissions associated with electricity use in ground facilities like offices, lounges, data centres and hangars. Location-based emissions are based on the carbon intensity of national electricity grids. CO₂e is calculated using gCO₂e/kWh factors from national agencies in Ireland, Spain and the UK, and IEA national electricity emissions factors.

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO₂e)

19683.0

(7.5.3) Methodological details

Indirect emissions associated with electricity use in ground facilities like offices, lounges, data centres and hangars. Market-based emissions are based on the carbon intensity of electricity purchased from suppliers.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO₂e)

689.0

(7.5.3) Methodological details

Emissions from activities which represent material categories of spend and available data. This is based on water supply and consumption in offices and facilities, laundries, and potable water carried on-board. CO₂e values are calculated by multiplying m³ water use by UK government conversion factors.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

568000.0

(7.5.3) Methodological details

Emissions associated with aircraft manufacture and disposal. Calculated by multiplying the number of aircraft delivered and retired within the reporting year, by an effective tCO2e per plane, based on disclosed operational emissions from aircraft and engine manufacturers in 2018 and 2019.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

6371621.0

(7.5.3) Methodological details

The well-to-tank emissions from jet fuel use, Scope 1 fuel use, and Scope 2 electricity kWh. CO2e values are calculated by multiplying the weight or energy content of various fuels by the latest standardised UK Government GHG conversion factors.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2019

(7.5.3) Methodological details

Scope 3 category 4 is not a material category for IAG

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

3747.0

(7.5.3) Methodological details

Emissions associated with processing waste via recycling, recovery, incineration or landfill. These are calculated by multiplying total extrapolated global waste volumes by appropriate CO2e/tonne conversion factors from the UK Government.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

325.0

(7.5.3) Methodological details

Emissions from jet fuel related to IAG staff travel on other airline carriers. Staff travel on IAG aircraft is captured in Scope 1 emissions.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

17515.0

(7.5.3) Methodological details

Emissions from staff travelling to and from workplaces. In the absence of detailed staff travel data, this is calculated by multiplying the number of FTE employees in the reporting period by the average commuting distance (km) and average weighted carbon intensity (CO2e/km) of commuting based on the UK Government National Travel Survey.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2019

(7.5.3) Methodological details

Jet fuel emissions from any aircraft leased from other carriers on a seasonal basis is not a material category for IAG as it is not a recurrent operation, only specific leases when the operation may require it.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

248574.0

(7.5.3) Methodological details

Emissions from the fuel use of subcontracted air or ground freight.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2019

(7.5.3) Methodological details

Scope 3 Category 10: Processing of sold products is not a material category for IAG

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

244459.0

(7.5.3) Methodological details

Emissions related to products purchased by Avios members using Avios points. Purchases of IAG flights are reported under Scope 1 emissions. Product categories reported here are flights on non-IAG carriers, hotel stays and car hire, as these are the most material categories.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2019

(7.5.3) Methodological details

Scope 3 category 12: End of life treatment of sold products is not a material category for IAG

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2019

(7.5.3) Methodological details

Jet fuel emissions from any aircraft leased from other carriers on a seasonal basis is not a material category for IAG as it is not a recurrent operation, only specific leases when the operation may require it.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

810334.0

(7.5.3) Methodological details

Emissions from the jet fuel burn of aircraft franchises

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2019

(7.5.3) Methodological details

Scope 3 category 15: Investments is not a material category for IAG.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2019

(7.5.3) Methodological details

Scope 3 "other upstream" is not a material category for IAG

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2019

(7.5.3) Methodological details

Scope 3 "other downstream" is not material for IAG
[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

25828963

(7.6.3) Methodological details

Direct emissions associated with IAG's operations including use of jet fuel, diesel, petrol, natural gas and halon. Sources of emissions include aircraft engines, boilers, auxiliary power units and ground vehicle engines. Gross emissions includes reductions from Sustainable Aviation Fuel (SAF), in line with globally recognised accounting standards. SAF emission reductions are calculated using the volume of SAF uplifted, multiplied by the Life-Cycle Assessment (LCA) carbon saving of the fuel, relative to conventional jet kerosene, and subtracted from our jet fuel emissions. Emissions saved from SAF use increased to 157.1 KT CO2 in 2023, an increase of 415% y-o-y and representing 0.6% of emission reductions.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

21155758

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

Direct emissions associated with IAG's operations including use of jet fuel, diesel, petrol, natural gas and halon. Sources of emissions include aircraft engines, boilers, auxiliary power units and ground vehicle engines. Gross emissions includes reductions from Sustainable Aviation Fuel (SAF), in line with globally recognised accounting standards. SAF emission reductions are calculated using the volume of SAF uplifted, multiplied by the Life-Cycle Assessment (LCA) carbon saving of the fuel, relative to conventional jet kerosene, and subtracted from our jet fuel emissions.

[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

56454

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

12203

(7.7.4) Methodological details

Indirect emissions associated. 2023 market-based emissions increased to 12.4 KT due to increased business activity. Location-based emissions increased to 56.5 KT. 81% of our electricity use in 2023 was from renewable sources (see 'Renewable Electricity' below) Where electricity data from overseas offices was not available, kWh was calculated based on leased space in m2, multiplied by relevant kWh/m2 factors based on historical data. with electricity use in ground facilities like offices, lounges, data centres and hangars. Market-based emissions are based on the carbon intensity of electricity purchased from suppliers. Location based emissions are based on the carbon intensity of national electricity grids. CO2e is calculated using gCO2e/kWh factors from national agencies in Ireland, Spain and the UK, and IEA national electricity emissions factors.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

51088

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

14330

(7.7.3) End date

12/31/2022

(7.7.4) Methodological details

Indirect emissions associated with electricity use in ground facilities like offices, lounges, data centres and hangars. Market-based emissions are based on the carbon intensity of electricity purchased from suppliers. Locationbased emissions are based on the carbon intensity of national electricity grids. CO2e is calculated using gCO2e/kWh factors from national agencies in Ireland, Spain and the UK, and IEA national electricity emissions factors.

[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

204.37

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

IAG consumed 539,791 m3 of water in 2023, based on metered readings across operating companies. This value was multiplied by 2023 UK GHG conversion factors for "water supply" and "water treatment" to obtain CO2e values. These factors are available at: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023>. The "average data method" has been selected as data on water use was combined with government conversion factors.

Capital goods

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

128000

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Emissions associated with aircraft manufacture and disposal. Calculated by multiplying the number of aircraft delivered and retired within the reporting year, by an effective tCO₂e per plane, based on disclosed operational emissions from specific aircraft and engine manufacturers in their external disclosures in 2018 and 2019. The "hybrid method" has been selected due to the combination of supplier data with the numbers of purchased aircraft

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

5424914

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The "average data method" is specified as the value above is calculated by multiplying the volumes of jet fuel, natural gas, gas oil, diesel, petrol, and halons, and kWh of electricity, by their respective and official lifecycle emissions factors. For example, the well-to-tank (WTT) emissions from making and transporting 1 tonne of jet fuel is 658.6 kg CO₂e. The 2023 UK greenhouse gas reporting conversion factors were used and are available here:

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023> Electricity conversion factors are based on both the transportation and distribution of electricity, for the UK, Spain, Ireland and France as most Group electricity use is in these countries. Because data from in-house systems was used, the share of data from suppliers has been listed as zero.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

5042

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The "fuel-based method" is selected as this value is based on the estimated fuel burn of vehicles used in airport hub operations, and cargo trucking, multiplied by relevant conversion factors e.g., 3.18 kgCO2e/kg of jet fuel. Standardized UK GHG conversion factors are available here: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023> The 2023 value is based on the best possible numbers extrapolated from historical data; this is why 0 has been selected for the share of data from suppliers.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4207

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

60

(7.8.5) Please explain

The "waste-type-specific method" has been selected as this value is calculated from the climate impact of IAG's global waste generated from offices, lounges, maintenance/handling facilities, and catering and cabin services onboard aircraft, using available data. The volumes of waste sent to landfill, incinerated, sent to anaerobic digestion and recycled are multiplied by the relevant kgCO₂e/m³ conversion factors, based on the 2023 UK greenhouse gas reporting conversion factors in the "Waste disposal" tab. For example, 1 m³ of waste sent to landfill represents 520kgCO₂e, while 1 m³ of waste recycled represents 21.3kgCO₂e. These factors are available here: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023> IAG retrieves waste data from contractors, catering companies and airports. The 60% of data from supplier's accounts for activity data, with some values extrapolated for overseas and non-hub airports. Collecting robust and complete waste data is challenging, as IAG does not have full visibility of all waste streams. However, we continue to work with our stakeholders on more robust collection.

Business travel

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

1821

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

(7.8.5) Please explain

This value is based on the fuel burned from business travel on non-IAG airlines, multiplied by a conversion factor of 3.18kgCO₂e/kg of fuel. Fuel use can be calculated based on distances travelled - passenger-km - and external efficiency factors. Staff travel on IAG aircraft is accounted for in Scope 1 emissions so does not affect this total.

Employee commuting

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

9674

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The "average data method" has been selected as the calculation is the average emissions of one commuter, multiplied by the number of full-time employees assumed to be office working. The average miles per commuter was based on the 2019 UK National Travel Survey. Report available here: <https://www.gov.uk/government/statistical-data-sets/nts04-purpose-of-trips> Each commuter emits 0.26tCO₂e, based on the weighted average emissions from different travel modes; for example, 180gCO₂/pkm by car, and 41gCO₂/pkm by rail. These emissions factors were calculated based on UK GHG conversion factor. IAG will continue to refine these calculations in future.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

Some aircraft are leased from other parties on a seasonal basis. The tonnes of fuel burnt in these aircraft are multiplied by a conversion factor of 3.18 to calculate CO2e emissions. No seasonal leasing was carried out to non-Group airlines in 2023 so this value is zero.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

167666

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

This represents the emissions from jet fuel burnt via subcontracted ground vehicles and subcontracted air and ground freight. Fuel volumes are converted into CO2e volumes using standardised UK government emissions factors i.e., 3.18kgCO2e/kg of fuel. The 2023 UK greenhouse gas reporting conversion factors were used and are available here: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023>

Processing of sold products

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

Processing of sold products is not relevant for IAG. Our primary sold products are flights, and we account for the emissions from this activity in both our Scope 1 emissions and Scope 3 "capital goods" categories

Use of sold products

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

317472

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Methodology for direct use phase emissions, please specify

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions related to products purchased by Avios members using Avios points. Purchases of IAG flights are reported under Scope 1 emissions. Categories reported here are flights on non-IAG carriers, hotel stays and car hire, as these categories are deemed to be most material. The use of in house data is the reason the percentage of emissions from suppliers is expressed as 0. We promote customer propositions (for example British Airway's Co2llaborate platform) in partner channels to share airline sustainability programmes and offer customers the opportunity to act on their carbon footprint from flying through climate action options, such as purchasing voluntary offset credits and SAF. We also are investigating how to develop an appropriate methodology that could allow us to accurately allocate CO2 impact to Avios earned through our partnership, so that this can be included in future submissions

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

End of life treatment of sold products is not relevant for IAG. Our primary sold products are flights, and the end of life emissions from disposing of aircraft are captured in our Scope 3 "capital goods" category.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

17617

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Jet fuel emissions from any aircraft leased to other carriers on a seasonal basis, based on fuel use and standardised conversion factors. On this basis, the asset-specific method has been chosen.

Franchises

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

449848

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Franchise-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Activity data from franchisees, in terms of jet fuel burn from franchised aircraft, was multiplied by standardized conversion factors.

Investments

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

Scope 3 Category 15 is part of the ongoing Group work to improve data collection on Scope 3. Data availability was limited in 2023 and therefore not disclosed.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

Scope 3 emissions have been fully accounted for in specific categories.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

Scope 3 emissions have been fully accounted for in specific categories.

[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

268

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

232000

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

4385293

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

3477

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

2790

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

3853

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

7294

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

165037

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

52860

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

475576

(7.8.1.19) Comment

In 2021 IAG was the first airline group worldwide to target net zero Scope 3 emissions by 2050. This was complemented by a target for a 20% reduction in net Scope 3 emissions by 2030, compared to a 2019 baseline. IAG has assessed all fifteen categories of Scope 3 emissions, as defined by the global GHG Protocol, and identified 12 relevant categories. Four of these categories represent over 90% of the Scope 3 impact.

[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Select from: ☒ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Select from: ☒ Third-party verification or assurance process in place
Scope 3	Select from:

	Verification/assurance status
	☒ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☒ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.1.4) Attach the statement

consolidated-statement-of-non-financial-information-2023.pdf

(7.9.1.5) Page/section reference

(7.9.1.6) Relevant standard

Select from:

☒ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☒ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.2.5) Attach the statement

consolidated-statement-of-non-financial-information-2023.pdf

(7.9.2.6) Page/ section reference

NFIS Page 2. Auditors statement

(7.9.2.7) Relevant standard

Select from:

☒ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☒ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.2.5) Attach the statement

consolidated-statement-of-non-financial-information-2023.pdf

(7.9.2.6) Page/ section reference

NFIS Page 2. Auditors statement

(7.9.2.7) Relevant standard

Select from:

☒ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☒ Scope 3: Franchises

☒ Scope 3: Upstream leased assets

- ☒ Scope 3: Capital goods
- ☒ Scope 3: Business travel
- ☒ Scope 3: Employee commuting
- ☒ Scope 3: Use of sold products
- ☒ Scope 3: Downstream transportation and distribution
- ☒ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- ☒ Scope 3: Downstream leased assets
- ☒ Scope 3: Purchased goods and services
- ☒ Scope 3: Waste generated in operations
- ☒ Scope 3: Upstream transportation and distribution

(7.9.3.2) Verification or assurance cycle in place

Select from:

- ☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

- ☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

- ☒ Limited assurance

(7.9.3.5) Attach the statement

consolidated-statement-of-non-financial-information-2023.pdf

(7.9.3.6) Page/section reference

NFIS Page 2. Auditors statement

(7.9.3.7) Relevant standard

Select from:

- ☒ ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

☒ Increased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

The share of electricity generated by renewable sources such as solar power and wind, based on volumes procured from renewable electricity suppliers. In overseas offices where data on electricity sources was unavailable, the source of electricity is assumed to be the national grid. This percentage includes electricity use from

facilities partially outside IAG’s operational control. Renewable electricity in 2023 remained at 81% due to the lack of new available renewable electricity supply at relevant airport facilities and leased overseas offices.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

131000

(7.10.1.2) Direction of change in emissions

Select from:
☒ Decreased

(7.10.1.3) Emissions value (percentage)

0.9

(7.10.1.4) Please explain calculation

Emission reductions from direct operations have been achieved through the use of sustainable aviation fuels and operational efficiencies. SAF emission reductions are calculated using the volume of SAF uplifted, multiplied by the Life-Cycle Assessment (LCA) carbon saving of the fuel, relative to conventional jet kerosene, and subtracted from our jet fuel emissions. CO2e saved from operational efficiency initiatives are recorded from initiatives such as reduced use of landing flaps, singleengine taxi-in and reduced weight on-board - this is translated into fuel savings compared to previous year operations. In 2023, 157,100 tonnes of CO2 was saved from use of SAF, and a further 86,000 tonnes CO2 has been saved from operational efficiencies. Combined, this is an increased saving of 131,000 tonnes CO2 from 2022, and represents 0.9% emissions reduction from IAG's total 2023 emissions.

Divestment

(7.10.1.4) Please explain calculation

Not applicable

Acquisitions

(7.10.1.4) Please explain calculation

Not applicable

Mergers

(7.10.1.4) Please explain calculation

Not applicable

Change in output

(7.10.1.4) Please explain calculation

Not applicable

Change in methodology

(7.10.1.4) Please explain calculation

Not applicable

Change in boundary

(7.10.1.4) Please explain calculation

Not applicable

Change in physical operating conditions

(7.10.1.4) Please explain calculation

Not applicable

Unidentified

(7.10.1.4) Please explain calculation

Not applicable

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:

☒ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:

☒ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:

☒ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:

☒ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

25594389

(7.15.1.3) GWP Reference

Select from:

☒ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☒ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

18009

(7.15.1.3) GWP Reference

Select from:

☒ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☒ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

216542

(7.15.1.3) GWP Reference

Select from:

☒ IPCC Fourth Assessment Report (AR4 - 100 year)

[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Ireland	2252385	3526	419
Spain	8590294	20647	719
United Kingdom of Great Britain and Northern Ireland	14986281	32093	10878

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☒ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	Aer Lingus	2252385
Row 3	Vueling	2865156
Row 4	British Airways	14986281
Row 5	Iberia	5725138

[Add row]

(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Transport services activities	25671829	Includes a 157,134 tCO2 reduction from the use of SAF

[Fixed row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☒ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	<i>Aer Lingus</i>	3526	419
Row 2	<i>British Airways</i>	32093	10878
Row 3	<i>Iberia</i>	16346	0
Row 4	<i>Vueling</i>	4301	719

[Add row]

(7.21) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Transport services activities	56454	12203	<i>In 2023, the Group consumed 82% of renewable energy</i>

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

25671829

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

56454

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

12203

(7.22.4) Please explain

The emissions of IAG represent the total emissions derived from the activities of its subsidiaries. IAG sole role consists of purely corporate activities. In this case, the total emissions of the corporation and its subsidiaries are the same, as IAG has no operational activities. The only potential impact could be from electricity usage, but its offices are located within the group's airline premises, making it marginal compared to that of the airline itself and included in its reports.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Not applicable.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☒ No

(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Row 1

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

13262920

(7.26.9) Emissions in metric tonnes of CO₂e

6426

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways. We are continuing to work on a methodology to calculate emissions from use of Avios points redemption.

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors. For emissions related to products purchased by Avios members using Avios points, we are investigating how to develop an appropriate methodology that could allow us to accurately allocate CO₂ impact to Avios earned through our partnership, so that this can be included in future submissions.

Row 2

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

85693271

(7.26.9) Emissions in metric tonnes of CO₂e

15475.2

(7.26.10) Uncertainty (±%)

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways, Aer Lingus, and Iberia

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

Row 3**(7.26.1) Requesting member**

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

1676257

(7.26.9) Emissions in metric tonnes of CO₂e

214

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO2/pkm factors.

Row 4

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

0

(7.26.9) Emissions in metric tonnes of CO₂e

0

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

No data available in our airlines systems for this requesting member.

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

No information from this requesting member has been found in our airlines system, limiting the capability to calculate GHG emissions related to their flights with the IAG Group.

Row 5

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

27901248

(7.26.9) Emissions in metric tonnes of CO₂e

5119

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO2/pkm factors.

Row 6

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

40978885

(7.26.9) Emissions in metric tonnes of CO₂e

8831.3

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways, Aer Lingus, and Iberia

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

Row 7

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

17949637

(7.26.9) Emissions in metric tonnes of CO₂e

1773

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO2/pkm factors.

Row 8

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

12947720

(7.26.9) Emissions in metric tonnes of CO₂e

7851

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

Row 9

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

8686091

(7.26.9) Emissions in metric tonnes of CO₂e

1130

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO2/pkm factors.

Row 10

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

2238702

(7.26.9) Emissions in metric tonnes of CO₂e

208

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

Row 11

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

2609890

(7.26.9) Emissions in metric tonnes of CO₂e

456

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO2/pkm factors.

Row 12

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

53800053

(7.26.9) Emissions in metric tonnes of CO₂e

7889

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

Row 13

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

470468

(7.26.9) Emissions in metric tonnes of CO₂e

4050

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with cargo transported on British Airways, Iberia, and Aer Lingus flights.

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet used to transport passengers and cargo. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO2/pkm factors.

Row 14

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

44490089

(7.26.9) Emissions in metric tonnes of CO₂e

5861

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

Row 15

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

30850173

(7.26.9) Emissions in metric tonnes of CO₂e

4480

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO2/pkm factors.

Row 16

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

23890831

(7.26.9) Emissions in metric tonnes of CO₂e

3844

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

Row 17

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

1765253

(7.26.9) Emissions in metric tonnes of CO₂e

156

(7.26.10) Uncertainty (±%)

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

Row 18**(7.26.1) Requesting member**

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

0

(7.26.9) Emissions in metric tonnes of CO₂e

0

(7.26.10) Uncertainty (±%)

10

(7.26.11) Major sources of emissions

No data available in our airlines systems for this requesting member.

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

No information from this requesting member has been found in our airlines system, limiting the capability to calculate GHG emissions related to their flights with the IAG Group.

Row 19

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☒ Scope 1

(7.26.4) Allocation level

Select from:

☒ Company wide

(7.26.6) Allocation method

Select from:

☒ Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☒ Passenger kilometers

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

13746926

(7.26.9) Emissions in metric tonnes of CO2e

(7.26.10) Uncertainty ($\pm\%$)

10

(7.26.11) Major sources of emissions

Air travel emissions associated with flights taken with British Airways

(7.26.12) Allocation verified by a third party?

Select from:

☒ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The sources of GHGs are the IAG aircraft fleet that these passengers travel on. Airlines within the Group continue to refine their calculations of the emissions from these flights, making assumptions based on the specific journeys taken, average emissions by aircraft category and by cabin class, and average load factors (ie how full our planes are). British Airways, Iberia and Vueling have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO₂/pkm factors.

[Add row]

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**Row 1****(7.27.1) Allocation challenges**

Select from:

☒ Other, please specify :Factors affecting flight efficiency

(7.27.2) Please explain what would help you overcome these challenges

While IAG's airlines maintain high data acquisition capabilities in tracking the fuel (and therefore the GHG emissions) and onboard passengers and cargo for each flight, there is not universal consensus around how to allocate these emissions across different passenger cabins, and between passengers and cargo. Examples of allocation problems include:- Most of our aircraft have different classes of service. Because premium seats take up more space, many methodologies recommend increasing emissions for premium classes, but disagree on the appropriate multiplier. Our bespoke calculators took account of the UK government's approach to apportioning emissions between the different classes of travel so premium cabins are allocated much higher shares of emissions than non-premium.- We fly both passengers and cargo simultaneously, requiring emissions to be allocated between different customer types. Some methodologies advise that emissions should be allocated proportionally between the two on a weight basis, while others recommend increasing passengers' allocation to take into account additional weight associated with serving passengers.- Passenger travel is generally consistent in each direction, while cargo flows often vary. For example, as a net exporter, flights departing Asia will have more cargo than flights arriving in Asia. When allocating emissions, the most widely accepted approach is to do so on a per flight basis—which means that cargo departing Asia will have lower allocated emissions than cargo arriving in Asia. However, the aircraft needs to fly to Asia in order to fly the outbound cargo. In alignment with most methodologies, we allocate cargo emissions to the flight it was carried on, and not across the round-trip. Airlines within the Group continue to refine their calculations of the emissions from flights, working with the customer offsetting and SAF platform CHOOOSE, and both British Airways, Vueling and Iberia have developed bespoke emissions calculators to obtain more representative values for efficiency than would be obtained by using UK government gCO2/pkm factors. We continue to improve our capabilities and to refine our carbon accounting across the group.

[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

☒ Yes

(7.28.2) Describe how you plan to develop your capabilities

IAG is investing in emissions reporting resources, including software, to be able to provide corporate customers with dashboards and data on emissions related to their flights. We continue to work on: - Participating in working groups with our customers and across the industry to build consistent approaches - Standardising the greenhouse gas emissions and efficiency calculations across the Group - Improving data quality and systems - Developing more granular insight by aircraft type - Working with regulators to develop better data collection systems and registries. These actions will ensure that the allocated emissions we report to customers continue to be consistent and accurate.

[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☒ More than 25% but less than or equal to 30%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Select from: ☒ Yes
Consumption of purchased or acquired electricity	Select from: ☒ Yes
Consumption of purchased or acquired heat	Select from: ☒ No
Consumption of purchased or acquired steam	Select from: ☒ No
Consumption of purchased or acquired cooling	Select from: ☒ No
Generation of electricity, heat, steam, or cooling	Select from: ☒ No

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

689012

(7.30.1.3) MWh from non-renewable sources

99767477

(7.30.1.4) Total (renewable and non-renewable) MWh

100456489

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

178102

(7.30.1.3) MWh from non-renewable sources

39381

(7.30.1.4) Total (renewable and non-renewable) MWh

271483

Total energy consumption

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

867114

(7.30.1.3) MWh from non-renewable sources

99806858

(7.30.1.4) Total (renewable and non-renewable) MWh

100673972

[Fixed row]

(7.30.6) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Select from: ☒ No
Consumption of fuel for the generation of heat	Select from: ☒ Yes
Consumption of fuel for the generation of steam	Select from:

	Indicate whether your organization undertakes this fuel application
	☒ No
Consumption of fuel for the generation of cooling	Select from: ☒ No
Consumption of fuel for co-generation or tri-generation	Select from: ☒ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

689012

(7.30.7.8) Comment

Jet kerosene made from sustainable feedstocks including waste-based feedstocks is defined as sustainable biomass for the purpose of this disclosure

Other biomass

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Not relevant to IAG

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Not relevant to IAG

Coal

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

This is not applicable to IAG

Oil

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

99651372

(7.30.7.8) Comment

The combination of jet kerosene, gas oil, diesel and petrol, including gas oil and diesel in generators. Heating value varies by fuel.

Gas

(7.30.7.1) Heating value

Select from:

☒ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

116105

(7.30.7.8) Comment

Natural gas use

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

This is not applicable to IAG.

Total fuel

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

100456489

(7.30.7.8) Comment

Total of the above

[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

☒ United Kingdom of Great Britain and Northern Ireland

(7.30.14.2) Sourcing method

Select from:

☒ Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

(7.30.14.3) Energy carrier

Select from:

☒ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☒ Renewable energy mix, please specify :Mix of wind and solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

102198

(7.30.14.6) Tracking instrument used

Select from:

☒ REGO

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☒ United Kingdom of Great Britain and Northern Ireland

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☒ No

(7.30.14.10) Comment

Row 2

(7.30.14.1) Country/area

Select from:

☒ Spain

(7.30.14.2) Sourcing method

Select from:

☒ Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

(7.30.14.3) Energy carrier

Select from:

☒ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☒ Renewable energy mix, please specify :Solar and wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

63976

(7.30.14.6) Tracking instrument used

Select from:

☒ REGO

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☒ Spain

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☒ No

(7.30.14.10) Comment

Row 3

(7.30.14.1) Country/area

Select from:

☒ Ireland

(7.30.14.2) Sourcing method

Select from:

☒ Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

(7.30.14.3) Energy carrier

Select from:

☒ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☒ Renewable energy mix, please specify :Solar and wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

9404

(7.30.14.6) Tracking instrument used

Select from:

☒ REGO

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☒ Ireland

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☒ No

(7.30.14.10) Comment

[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

10384

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

10384.00

Spain

(7.30.16.1) Consumption of purchased electricity (MWh)

86055

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

86055.00

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

101878

(7.30.16.2) Consumption of self-generated electricity (MWh)

5

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

101883.00

[Fixed row]

(7.36) Provide any efficiency metrics that are appropriate for your organization's transport products and/or services.

Row 1

(7.36.1) Activity

Select from:

☒ Aviation

(7.36.2) Metric figure

80.5

(7.36.3) Metric numerator

Select from:

☒ Other, please specify :gr CO2

(7.36.4) Metric denominator

Select from:

☒ p.km

(7.36.5) Metric numerator: Unit total

25551933959.4

(7.36.6) Metric denominator: Unit total

317462573032

(7.36.7) % change from last year

-4

(7.36.8) Please explain

Please note the numerator above is in tonnes, but the calculation is reported in grammes. IAG measures carbon intensity in grammes of CO2 per equivalent passenger-km, accounting for both cargo and passenger transport. This is a standard industry measure of efficiency. One cargo-tonne-km is assumed to be equivalent to 10 passenger-km. Typically, fuel efficiency improves by 1-2% per year. Between 2011-2019, IAG's average fuel efficiency improvement per annum was 1.6%, above the IATA aviation industry target of 1.5%. The 4% improvement in 2023 is driven by a recovery in passenger load factors, operational efficiency initiatives and the use of SAF. This represents an improvement of more than 10% since 2019. The Group is on. IAG remains committed to the Group carbon intensity target of 80gCO2/pkm by 2025 and is on track.

[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

1.145

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

25728283

(7.45.3) Metric denominator

Select from:

☒ unit total revenue

(7.45.4) Metric denominator: Unit total

29453000000

(7.45.5) Scope 2 figure used

Select from:

☒ Location-based

(7.45.6) % change from previous year

5

(7.45.7) Direction of change

Select from:

☒ Decreased

(7.45.8) Reasons for change

Select all that apply

- ☒ Change in renewable energy consumption
- ☒ Change in revenue

(7.45.9) Please explain

This is consistent with improvements observed in flight-only carbon intensity, driven by a recovery in activity and passenger load factors.
[Add row]

(7.51) What are your primary intensity (activity-based) metrics that are appropriate to your emissions from transport activities in Scope 1, 2, and 3?

Aviation

(7.51.1) Scopes used for calculation of intensities

Select from:

- ☒ Report just Scope 1

(7.51.2) Intensity figure

80.5

(7.51.3) Metric numerator: emissions in metric tons CO₂e

25779062261.241

(7.51.4) Metric denominator: unit

Select from:

- ☒ p.km

(7.51.5) Metric denominator: unit total

317462573032

(7.51.6) % change from previous year

-4

(7.51.7) Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

Please note the reported 2023 value was 80.5gCO₂/pkm, which translates into 81.2gCO₂e/pkm. IAG tracks average gCO₂/pkm, relating to jet fuel use for flights, and this is a standardised emissions metric for the aviation industry. The denominator includes both passengers and cargo, with one tonne of cargo being treated as equivalent to 10 passengers. The denominator excludes jet fuel used in on-the-ground engine testing. The key reason for the 4% efficiency improvement from the 83.5gCO₂/pkm (84.3gCO₂e/pkm) reported in 2022 is a recovery in passenger load factors since fuller planes are more efficient.

ALL

(7.51.1) Scopes used for calculation of intensities

Select from:

☒ Report Scope 1 + 2

(7.51.2) Intensity figure

0.178

(7.51.3) Metric numerator: emissions in metric tons CO₂e

56454

(7.51.4) Metric denominator: unit

Select from:

☒ p.km

(7.51.5) Metric denominator: unit total

317462573032

(7.51.6) % change from previous year

-13

(7.51.7) Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

Please note: IAG is reporting Scope 2 location-based emissions for this metric, but for the purpose of this disclosure only "Scope 1 and 2" can be selected in the drop down list. IAG tracks our Scope 2 energy intensity per passenger-km. This complements our flight only emissions intensity metric described above and is designed to monitor our (Scope 2) energy efficiency in buildings as a function of our business activity in passenger kilometres.

[Fixed row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☒ Waste

(7.52.2) Metric value

0.32

(7.52.3) Metric numerator

Kg waste

(7.52.4) Metric denominator (intensity metric only)

per passenger

(7.52.5) % change from previous year

22

(7.52.6) Direction of change

Select from:

☒ Decreased

(7.52.7) Please explain

Onboard waste per passenger. Onboard waste is both cabin and catering waste. Cabin waste is defined as items collected from the cabin following flights, including newspapers, blanket and headphone wrapping, and packaging which passengers have brought onto the aircraft. Includes rubbish bins from toilets and excludes lost luggage. Catering waste is defined as food and packaging left over from onboard catering, including drinks cans, and IAG-owned waste from food preparation at catering facilities. Includes all categories of catering waste covering international and domestic flights. The number of inbound passengers at hub airports, plus outbound passengers on short-haul flights whose waste was kept onboard the aircraft and offloaded at the hub when the plane returned

Row 2

(7.52.1) Description

Select from:

☒ Waste

(7.52.2) Metric value

81.8

(7.52.3) Metric numerator

Kg waste

(7.52.4) Metric denominator (intensity metric only)

Tonnes of cargo and mail handled in three main hub

(7.52.5) % change from previous year

1

(7.52.6) Direction of change

Select from:
☒ Decreased

(7.52.7) Please explain

Total waste from handling and packaging cargo. This consists largely of recyclable materials such as plastic, wood and cardboard but is impacted heavily by ad hoc disposal of perishable or hazardous cargo

Row 3

(7.52.1) Description

Select from:
☒ Waste

(7.52.2) Metric value

0.11

(7.52.3) Metric numerator

Kg waste

(7.52.4) Metric denominator (intensity metric only)

Number of available person-hours at maintenance fa

(7.52.5) % change from previous year

(7.52.6) Direction of change

Select from:

☒ Decreased**(7.52.7) Please explain**

Materials from specific maintenance/engineering facilities including paper, metal and hazardous waste. Excludes airport waste, aircraft disposal, construction waste and effluent

Row 4**(7.52.1) Description**

Select from:

☒ Waste**(7.52.2) Metric value**

1.54

(7.52.3) Metric numerator

Kg waste

(7.52.4) Metric denominator (intensity metric only)

Total FTE employees at end of the reporting period

(7.52.5) % change from previous year

3

(7.52.6) Direction of change

Select from:

☒ Decreased

(7.52.7) Please explain

Materials from printing, office stationery and onsite catering. Includes offices, training facilities, and Irish, Spanish and UK call centres. Includes technology waste, defined as primarily data centre equipment and IAG-owned IT equipment

[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☒ Absolute target

☒ Intensity target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☒ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

12/31/2019

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO2)

☒ Methane (CH4)

☒ Nitrous oxide (N2O)

(7.53.1.8) Scopes

Select all that apply

☒ Scope 1

☒ Scope 2

☒ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:

☒ Market-based

(7.53.1.10) Scope 3 categories

Select all that apply

☒ Scope 3, Category 14 – Franchises

☒ Scope 3, Category 15 – Investments

☒ Scope 3, Category 2 – Capital goods

☒ Scope 3, Category 11 – Use of sold products

☒ Scope 3, Category 8 - Upstream leased assets

☒ Scope 3, Category 13 – Downstream leased assets

- ☑ Scope 3, Category 6 – Business travel
- ☑ Scope 3, Category 7 – Employee commuting
- ☑ Scope 3, Category 5 – Waste generated in operations
- ☑ Scope 3, Category 12 – End-of-life treatment of sold products
- ☑ Scope 3, Category 4 – Upstream transportation and distribution
- ☑ Scope 3, Category 9 – Downstream transportation and distribution
- ☑ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)
- ☑ Scope 3, Category 1 – Purchased goods and services
- ☑ Scope 3, Category 10 – Processing of sold products

(7.53.1.11) End date of base year

12/31/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

30744004

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

19683

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

689

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

568000

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

6371621

(7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

0

(7.53.1.18) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

3747

(7.53.1.19) Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

325

(7.53.1.20) Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

17515

(7.53.1.21) Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

0

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

248574

(7.53.1.23) Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

0

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

244459

(7.53.1.25) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

0

(7.53.1.26) Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

0

(7.53.1.27) Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

810334

(7.53.1.28) Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

0

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

8265264.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

39028951.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

(7.53.1.38) Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

(7.53.1.39) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

(7.53.1.40) Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

(7.53.1.41) Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

(7.53.1.42) Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

100

(7.53.1.43) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100

(7.53.1.44) Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

100

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

(7.53.1.46) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100

(7.53.1.47) Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

100

(7.53.1.48) Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

100

(7.53.1.49) Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2050

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

25671828

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

12407

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

204

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

12800

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

5424914

(7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

5042

(7.53.1.63) Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

4209

(7.53.1.64) Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

1820

(7.53.1.65) Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

9674

(7.53.1.66) Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

167666

(7.53.1.68) Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

317472

(7.53.1.70) Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.71) Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

17617

(7.53.1.72) Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

449848

(7.53.1.73) Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

6411266.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

32095501.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

17.76

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Please note there are multiple assessors of science-based targets including the SBTi and TPI, and the drop-down options for "Is this a science-based target?" above do not accurately reflect IAG's position. We have chosen the closest option, based on our engagement. Both SBTi and TPI base their pathways on IEA modelling. SBTi have yet to publish final 1.5C guidance for aviation, while TPI updated their 1.5C guidance in 2021. On the basis of an independent assessment by the TPI, IAG's 2050 target is already 1.5C-aligned, so we have selected "1.5C-aligned" above. The TPI is a global initiative in partnership with FTSE Russell, the Grantham Institute, and the London School of Economics. The TPI assessment is based on public disclosures. We will be assessed again within the next two years. IAG is also a signatory to the Business Ambition for 1.5C pledge, was one of 11 airlines on the initial SBTi Aviation Technical Working Group and one of two airlines to road-test the SBTi Net Zero standard.

(7.53.1.83) Target objective

IAG is targeting net zero emissions by 2050 across its Scope 1, 2 and 3 emissions. 'Net zero' means any residual emissions from IAG operations in 2050, or by the manufacture and transport of goods supplied to the Group, will be mitigated by an equivalent amount of CO2 removed from the atmosphere via carbon removals.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

IAG's transition plan focuses on reducing CO2 from jet fuel use, as this represents over 99% of Scope 1 emissions. The Group measures its full carbon footprint and tracks multiple metrics each quarter to ensure progress on tackling climate change. In 2023, Scope 1 emissions increased to 25.7 million tonnes (MT), an increase of 22% y-o-y. This was driven by increased flying demand, which increased jet fuel consumption by 22% y-o-y. Emissions saved from SAF use increased to 157.1 KT CO2 in 2023, an increase of 415% y-o-y and representing 0.6% of emission reductions. Operational efficiencies increased to 86,700 tonnes CO2 saved, and net reductions under emission trading schemes increased to 2.6 million tonnes CO2. We expect emission savings to continue to increase with available SAF supplies increasing, (with IAG delivering one-third of its 10% SAF commitment by 2030 as of 31 December 2023), and as recovering activities following the COVID-19 pandemic allow for further operational efficiencies to be delivered. IAG also has a 12 billion investment between 2024 and 2028 for 178 new, more efficient aircraft. In 2023 all IAG airlines welcomed new aircraft to their fleets which increase carbon efficiency in comparison to the aircraft they replace. For the longer term, each year IAG publishes a 30-year emissions roadmap for how it plans to deliver net zero emissions by 2050. This will be achieved by working with other stakeholders on a combination of measures - new fleet, operational improvements, zero-emission aircraft, SAF, and carbon removals - and the roadmap shows the contribution of each measure. Based on the latest published roadmap, 42% of CO2 reductions in 2050 are expected to come from new aircraft and operations, 41% of reductions from SAF (with 70% of fuel being SAF), and 17% from greenhouse gas removals. Delivery of current plans, dependent on appropriate policy support, will enable an approximately 73% drop in gross emissions by 2050 and an 83% improvement in gross gCO2/pkm, relative to 2019, although this projection is reviewed on an ongoing basis.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ Yes

Row 2

(7.53.1.1) Target reference number

Select from:

☒ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

12/31/2019

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO2)

☒ Methane (CH4)

☒ Nitrous oxide (N2O)

(7.53.1.8) Scopes

Select all that apply

☒ Scope 1

(7.53.1.11) End date of base year

12/31/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

30744004.0

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

30744004.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100.0

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100.0

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

20

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

24595203.200

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

25671828

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

25671828.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

82.49

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Please note there are multiple assessors of science-based targets including the SBTi and TPI, and the drop-down options for “Is this a science-based target?” above do not accurately reflect IAG’s position. We have chosen the closest option, based on our engagement. Both SBTi and TPI base their pathways on IEA modelling. SBTi have yet to publish final 1.5C guidance for aviation, while TPI updated their 1.5C guidance in 2021. On the basis of an independent assessment by the TPI, IAG’s 2050 target is already 1.5C-aligned, so we have selected “1.5C-aligned” above. The TPI is a global initiative in partnership with FTSE Russell, the Grantham Institute, and the London School of Economics. The TPI assessment is based on public disclosures. We will be assessed again within the next two years. IAG is also a signatory to the Business Ambition for 1.5C pledge, was one of 11 airlines on the initial SBTi Aviation Technical Working Group and one of two airlines to road-test the SBTi Net Zero standard.

(7.53.1.83) Target objective

IAG has a target to reduce combined total net Scope 1 and 2 emissions from 27MT in 2019 to 22 MT CO₂ by 2030, a 20% net reduction. While this is a net emissions target, the combination of new fleet, operational efficiency and IAG’s commitment to 10% SAF by 2030 are expected to deliver a 15% reduction in gross emissions. This outcome is conditional on appropriate policy support and we continue to work with other stakeholders to accelerate in-sector emission reductions.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

IAG’s transition plan focuses on reducing CO₂ from jet fuel use, as this represents over 99% of Scope 1 emissions. The Group measures its full carbon footprint and tracks multiple metrics each quarter to ensure progress on tackling climate change. While this target is a net emissions target, the combination of new fleet, operational efficiency and IAG’s commitment to 10% SAF by 2030 are expected to deliver a 15% reduction in gross emissions. This outcome is conditional on appropriate policy support and we continue to work with other stakeholders to accelerate in-sector emission reductions. In 2023, Scope 1 emissions increased to 25.7 million tonnes (MT), an increase of 22% y-o-y. This was driven by increased flying demand, which increased jet fuel consumption by 22% y-o-y. Emissions saved from SAF use increased to 157.1 KT CO₂ in 2023, an increase of 415% y-o-y and representing 0.6% of emission reductions. Operational efficiencies increased to 86,700 tonnes CO₂ saved, and net reductions under emission trading schemes increased to 2.6 million tonnes CO₂. Scope 2 emissions market-based emissions increased to 12.4 KT in 2023 due to increased business activity. Renewable electricity in 2023 remained at 81% due to the lack of new available renewable electricity

supply at relevant airport facilities and leased overseas offices, but IAG continues to seek increases in renewable electricity supply where possible, and is adopting new technologies designed to increase renewable electricity use across the business (e.g. IAG Cargo welcomed the use of electric tractors on site in a trial in 2023).

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ Yes

Row 3

(7.53.1.1) Target reference number

Select from:

☒ Abs 3

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

12/31/2019

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- ☒ Carbon dioxide (CO2)
- ☒ Methane (CH4)
- ☒ Nitrous oxide (N2O)

(7.53.1.8) Scopes

Select all that apply

- ☒ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

- | | |
|---|--|
| ☒ Scope 3, Category 14 – Franchises | ☒ Scope 3, Category 11 – Use of sold products |
| ☒ Scope 3, Category 15 – Investments | ☒ Scope 3, Category 8 - Upstream leased assets |
| ☒ Scope 3, Category 2 – Capital goods | ☒ Scope 3, Category 13 – Downstream leased assets |
| ☒ Scope 3, Category 6 – Business travel | ☒ Scope 3, Category 1 – Purchased goods and services |
| ☒ Scope 3, Category 7 – Employee commuting | ☒ Scope 3, Category 10 – Processing of sold products |
| ☒ Scope 3, Category 5 – Waste generated in operations | |
| ☒ Scope 3, Category 12 – End-of-life treatment of sold products | |
| ☒ Scope 3, Category 4 – Upstream transportation and distribution | |
| ☒ Scope 3, Category 9 – Downstream transportation and distribution | |
| ☒ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2) | |

(7.53.1.11) End date of base year

12/31/2019

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

689.0

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

568000.0

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

6371621.0

(7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

0.0

(7.53.1.18) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

3747.0

(7.53.1.19) Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

325.0

(7.53.1.20) Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

17515.0

(7.53.1.21) Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

0

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

248574.0

(7.53.1.23) Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

0

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

244459.0

(7.53.1.25) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

0

(7.53.1.26) Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

0.0

(7.53.1.27) Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

810334.0

(7.53.1.28) Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

0

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

8265264.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

8265264.000

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100.0

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100.0

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100.0

(7.53.1.38) Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100.0

(7.53.1.39) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100.0

(7.53.1.40) Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100.0

(7.53.1.41) Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100.0

(7.53.1.42) Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

100

(7.53.1.43) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100.0

(7.53.1.44) Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

100

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100.0

(7.53.1.46) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100

(7.53.1.47) Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

100.0

(7.53.1.48) Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

100.0

(7.53.1.49) Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100.0

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100.0

(7.53.1.54) End date of target

12/31/2050

(7.53.1.55) Targeted reduction from base year (%)

20

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

6612211.200

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

204

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

128000

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

5424914

(7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

5042

(7.53.1.63) Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

4209

(7.53.1.64) Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

1820

(7.53.1.65) Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

9674

(7.53.1.66) Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

167666

(7.53.1.68) Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

317472

(7.53.1.70) Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.71) Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

17617

(7.53.1.72) Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

449848

(7.53.1.73) Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

6526466.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

6526466.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

105.19

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Please note there are multiple assessors of science-based targets including the SBTi and TPI, and the drop-down options for “Is this a science-based target?” above do not accurately reflect IAG’s position. We have chosen the closest option, based on our engagement. Both SBTi and TPI base their pathways on IEA modelling. SBTi have yet to publish final 1.5C guidance for aviation, while TPI updated their 1.5C guidance in 2021. On the basis of an independent assessment by the TPI, IAG’s 2050 target is already 1.5C-aligned, so we have selected “1.5C-aligned” above. The TPI is a global initiative in partnership with FTSE Russell, the Grantham Institute, and the London School of Economics. The TPI assessment is based on public disclosures. We will be assessed again within the next two years. IAG is also a signatory to the Business Ambition for 1.5C pledge, was one of 11 airlines on the initial SBTi Aviation Technical Working Group and one of two airlines to road-test the SBTi Net Zero standard.

(7.53.1.83) Target objective

IAG Scope 3 emissions accounted for approximately 20% of total emissions in 2023. Our target is to achieve a 20% drop in net Scope 3 emissions compared to the 2019 baseline, from 8.3 MT to 6.6 MT by 2030.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

In 2023 IAG Scope 3 emissions were 6.5 million tonnes CO₂e. IAG GBS operates a supply chain sustainability programme which includes ESG scorecards and supplier risk screening. We plan to continue this engagement to drive further reductions in our emissions footprint to deliver this target. We are also working to develop the methodology behind our scope 3 emissions footprint. In 2023, IAG GBS ran a proof-of-concept trial with Watershed to improve Scope 3.1 emissions reporting across the Group. In previous measurements, IAG reported Scope 3.1 emissions based on emissions calculated from water usage only. Under the trial with Watershed, a spend-based methodology for Scope 3.1 emissions was applied, combining IAG GBS supply chain spend data with Watershed’s emissions database. This improved reporting accuracy as emissions factors could be associated with the location and business activities of each supplier, including supplier-specific emission factors for those with CDP disclosures. We will be reviewing our methodology and target for scope 3 emissions in 2024.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ Yes

[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☒ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☒ No, but we are reporting another target that is science-based

(7.53.2.5) Date target was set

12/31/2019

(7.53.2.6) Target coverage

Select from:

☒ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☒ Scope 1

(7.53.2.11) Intensity metric

Select from:

☒ Grams CO2e per revenue passenger kilometer

(7.53.2.12) End date of base year

12/31/2019

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.0000907

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000907000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/31/2025

(7.53.2.56) Targeted reduction from base year (%)

11.79

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0000800065

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

-1

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.0000805

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000805000

(7.53.2.81) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

95.38

(7.53.2.83) Target status in reporting year

Select from:

☒ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

Note: the figures above are in CO2e, but our target is expressed in terms of CO2. Please note, there are multiple assessors of science-based target, including the SBTi and TPI, and the options for the dropdown “Is this a science-based target?” do not accurately reflect IAG’s position. We have chosen the closest answer, based on our engagement. SBTi has yet to release final 1.5C guidance for aviation but TPI updated its 1.5C guidance in 2021. Based on an independent assessment by the TPI, IAG’s 2025 target has been assessed as 1.5C-aligned. The TPI pathway takes into account the impact of COVID-19 on the industry and a gradual recovery of carbon intensity from pandemic highs back to normal levels.

(7.53.2.86) Target objective

In 2019, IAG set a target to achieve 80gCO₂/pkm in 2025 (80.8gCO₂e/pkm), based on passenger and cargo transport in our aircraft. This represents an 11% improvement on the 2019 carbon intensity of 89.8 gCO₂pkm (90.7gCO₂e/pkm). 99.6% of IAG's Scope 1 emissions come from jet fuel, which is the focus of the intensity target.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

Carbon intensity rose during the COVID-19 pandemic, as emptier planes meant higher emissions per passenger, but in 2022 recovered back to levels lower than 2019, and in 2023 has reduced further by another 4% year on year. The absolute changes in Scope 1 and Scope 3 emissions are based on flying activity and are still uncertain as they are dependent on the shape of the post-COVID recovery in the industry. Currently, emission levels in 2025 are expected to be similar to 2019, so -1% is listed as an illustrative number. This illustrative scenario should not be interpreted as a definitive projection of IAG's future activity or financial performance.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☒ Yes

Row 2

(7.53.2.1) Target reference number

Select from:

☒ Int 2

(7.53.2.2) Is this a science-based target?

Select from:

☒ No, but we are reporting another target that is science-based

(7.53.2.5) Date target was set

12/31/2019

(7.53.2.6) Target coverage

Select from:

☒ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☒ Scope 1

(7.53.2.11) Intensity metric

Select from:

☒ Grams CO2e per revenue passenger kilometer

(7.53.2.12) End date of base year

12/31/2019

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.0000907

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000907000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100.0

(7.53.2.55) End date of target

12/31/2030

(7.53.2.56) Targeted reduction from base year (%)

27

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0000662110

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

-1

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.0000805

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000805000

(7.53.2.81) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

41.65

(7.53.2.83) Target status in reporting year

Select from:

☒ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

Note: the figures above are in CO₂e, but our target is expressed in terms of CO₂. Please note, there are multiple assessors of science-based target, including the SBTi and TPI, and the options for the dropdown “Is this a science-based target?” do not accurately reflect IAG’s position. We have chosen the closest answer, based on our engagement. SBTi has yet to release final 1.5C guidance for aviation but TPI updated its 1.5C guidance in 2021. Based on an independent assessment by the TPI, IAG’s 2025 target has been assessed as 1.5C-aligned. The TPI pathway takes into account the impact of COVID-19 on the industry and a gradual recovery of carbon intensity from pandemic highs back to normal levels.

(7.53.2.86) Target objective

In 2019, IAG set a target to achieve 80gCO₂/pkm in 2025 (80.8gCO₂e/pkm), based on passenger and cargo transport in our aircraft. This represents an 11% improvement on the 2019 carbon intensity of 89.8 gCO₂pkm (90.7gCO₂e/pkm). 99.6% of IAG’s Scope 1 emissions come from jet fuel, which is the focus of the intensity target.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

Carbon intensity rose during the COVID-19 pandemic, as emptier planes meant higher emissions per passenger, but in 2022 recovered back to levels lower than 2019, and in 2023 has reduced further by another 4% year on year. The absolute changes in Scope 1 and Scope 3 emissions are based on flying activity and are still uncertain as they are dependent on the shape of the post-COVID recovery in the industry. Currently, emission levels in 2025 are expected to be similar to 2019, so -1% is listed as an illustrative number. This illustrative scenario should not be interpreted as a definitive projection of IAG’s future activity or financial performance.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☒ Yes

Row 3

(7.53.2.1) Target reference number

Select from:

☒ Int 3

(7.53.2.2) Is this a science-based target?

Select from:

- ☒ No, but we are reporting another target that is science-based

(7.53.2.5) Date target was set

12/31/2019

(7.53.2.6) Target coverage

Select from:

- ☒ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

- ☒ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

- ☒ Scope 1

(7.53.2.11) Intensity metric

Select from:

- ☒ Grams CO2e per revenue passenger kilometer

(7.53.2.12) End date of base year

12/31/2019

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.0000907

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000907000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/31/2035

(7.53.2.56) Targeted reduction from base year (%)

39

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0000553270

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

-1

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.0000805

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000805000

(7.53.2.81) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

28.84

(7.53.2.83) Target status in reporting year

Select from:

☒ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

Note: the figures above are in CO₂e, but our target is expressed in terms of CO₂. Please note, there are multiple assessors of science-based target, including the SBTi and TPI, and the options for the dropdown “Is this a science-based target?” do not accurately reflect IAG’s position. We have chosen the closest answer, based on our engagement. SBTi has yet to release final 1.5C guidance for aviation but TPI updated its 1.5C guidance in 2021. Based on an independent assessment by the TPI, IAG’s 2025 target has been assessed as 1.5C-aligned. The TPI pathway takes into account the impact of COVID-19 on the industry and a gradual recovery of carbon intensity from pandemic highs back to normal levels.

(7.53.2.86) Target objective

In 2019, IAG set a target to achieve 80gCO₂/pkm in 2025 (80.8gCO₂e/pkm), based on passenger and cargo transport in our aircraft. This represents an 11% improvement on the 2019 carbon intensity of 89.8 gCO₂pkm (90.7gCO₂e/pkm). 99.6% of IAG's Scope 1 emissions come from jet fuel, which is the focus of the intensity target.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

Carbon intensity rose during the COVID-19 pandemic, as emptier planes meant higher emissions per passenger, but in 2022 recovered back to levels lower than 2019, and in 2023 has reduced further by another 4% year on year. The absolute changes in Scope 1 and Scope 3 emissions are based on flying activity and are still uncertain as they are dependent on the shape of the post-COVID recovery in the industry. Currently, emission levels in 2025 are expected to be similar to 2019, so -1% is listed as an illustrative number. This illustrative scenario should not be interpreted as a definitive projection of IAG's future activity or financial performance.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☒ Yes

Row 4

(7.53.2.1) Target reference number

Select from:

☒ Int 4

(7.53.2.2) Is this a science-based target?

Select from:

☒ No, but we are reporting another target that is science-based

(7.53.2.5) Date target was set

12/31/2019

(7.53.2.6) Target coverage

Select from:

☒ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☒ Scope 1

(7.53.2.11) Intensity metric

Select from:

☒ Grams CO2e per revenue passenger kilometer

(7.53.2.12) End date of base year

12/31/2019

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.0000907

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000907000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/31/2050

(7.53.2.56) Targeted reduction from base year (%)

83

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0000154190

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

-1

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.0000805

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000805000

(7.53.2.81) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

13.55

(7.53.2.83) Target status in reporting year

Select from:

☒ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

Note: the figures above are in CO2e, but our target is expressed in terms of CO2. Please note, there are multiple assessors of science-based target, including the SBTi and TPI, and the options for the dropdown “Is this a science-based target?” do not accurately reflect IAG’s position. We have chosen the closest answer, based on our engagement. SBTi has yet to release final 1.5C guidance for aviation but TPI updated its 1.5C guidance in 2021. Based on an independent assessment by the TPI, IAG’s 2025 target has been assessed as 1.5C-aligned. The TPI pathway takes into account the impact of COVID-19 on the industry and a gradual recovery of carbon intensity from pandemic highs back to normal levels.

(7.53.2.86) Target objective

In 2019, IAG set a target to achieve 80gCO2/pkm in 2025 (80.8gCO2e/pkm), based on passenger and cargo transport in our aircraft. This represents an 11% improvement on the 2019 carbon intensity of 89.8 gCO2pkm (90.7gCO2e/pkm). 99.6% of IAG's Scope 1 emissions come from jet fuel, which is the focus of the intensity target.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

Carbon intensity rose during the COVID-19 pandemic, as emptier planes meant higher emissions per passenger, but in 2022 recovered back to levels lower than 2019, and in 2023 has reduced further by another 4% year on year. The absolute changes in Scope 1 and Scope 3 emissions are based on flying activity and are still uncertain as they are dependent on the shape of the post-COVID recovery in the industry. Currently, emission levels in 2025 are expected to be similar to 2019, so - 1% is listed as an illustrative number. This illustrative scenario should not be interpreted as a definitive projection of IAG's future activity or financial performance.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☒ Yes

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☒ Net-zero targets

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☒ NZ1

(7.54.3.2) Date target was set

10/09/2019

(7.54.3.3) Target Coverage

Select from:

☒ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☒ Abs1

☒ Int3

☒ Abs2

☒ Int4

☒ Abs3

☒ Int1

☒ Int2

(7.54.3.5) End date of target for achieving net zero

12/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☒ No, but we are reporting another target that is science-based

(7.54.3.8) Scopes

Select all that apply

☒ Scope 1

☒ Scope 2

☒ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO2)

- ☒ Methane (CH₄)
- ☒ Nitrous oxide (N₂O)

(7.54.3.10) Explain target coverage and identify any exclusions

IAG was the first airline group in the world to commit to net zero emissions by 2050 and we have defined 2025 and 2030 climate targets to ensure we deliver measures to reduce our carbon footprint towards our 2050 target. Our climate strategy incorporates the following targets: 2025 11% lower carbon intensity (grCO₂/pkm) 2030 10% sustainable aviation fuel 20% lower net Scope 13 emissions 2050 Net-zero emissions across entire operations and supply chain Our Scope 1 and 3 emissions are included in our 2050 net emissions targets.

(7.54.3.11) Target objective

2025 11% lower carbon intensity (grCO₂/pkm) 2030 10% sustainable aviation fuel 20% lower net Scope 13 emissions 2050 Net-zero emissions across entire operations and supply chain

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

- ☒ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

- ☒ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

- ☒ No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

To reduce Scope 1 emissions: - 12 billion investment between 2024 and 2028 for 178 new, efficient aircraft - As of 31 December 2023, our total investment in SAF reached 1 billion, of which 86% is future commitments, based on assumed energy prices

(7.54.3.17) Target status in reporting year

Select from:

☒ Underway

(7.54.3.19) Process for reviewing target

The IAG Board is responsible for setting group sustainability commitments, reviewing the progress of climate-related objectives and strategy, agreeing plans to meet carbon-related regulatory compliance such as with the UK and EU Emissions Trading Schemes (ETS), and ensuring management is effectively delivering on sustainability objectives and policies. The IAG Board has several advisory committees. As per Spanish corporate law (IAG applicable corporate law), these subcommittees have no delegated authority, so decisions are taken by the Board. One such committee is the IAG Safety, Environment and Corporate Responsibility (SECR) Committee, which meets at least quarterly.

[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☒ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	`Numeric input
To be implemented	0	0
Implementation commenced	0	0
Implemented	4	243810
Not to be implemented	0	`Numeric input

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☒ Other, please specify :In-flight operationa efficiency initiatives

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

86676

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☒ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☒ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☒ Ongoing

(7.55.2.9) Comment

tonnes of CO2e saved from operational efficiency initiatives such as reduced use of landing flaps, single-engine taxi-in and reduced weight on-board

Row 2

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☒ Other, please specify :Use of SAF

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

157134

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☒ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

901300000

(7.55.2.7) Payback period

Select from:

☒ 4-10 years**(7.55.2.8) Estimated lifetime of the initiative**

Select from:

☒ Ongoing**(7.55.2.9) Comment**

Emissions saved from SAF use increased to 157.1 KT CO₂ in 2023, an increase of 415% y-o-y and representing 0.6% of emission reductions. The investment required does not reflect the financial amounts indicated in this question, as we are continuously working towards our sustainability targets, having secured c.33% of our total committed SAF by the end of 2023. 901,300,000 is equal to US1 billion, which as of 31 December 2023, represents IAG investment in SAF production and supply, of which 86% is future commitments, as we continue to scale up the use of SAF in our operations. This price is based on an assumed jet fuel price of 800 per metric tonne and contracted margins for SAF production.

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?**Row 1****(7.55.3.1) Method**

Select from:

☒ Employee engagement**(7.55.3.2) Comment**

IAG hosts a monthly call with an internal Sustainability Network of representatives to share updates on sustainability initiatives and progress. All of IAG's operating airlines have dedicated representatives working on fuel efficiency. The Fuel Efficiency teams engage with local station managers and provide instructions on fuel efficiency procedures. Employees including pilots are engaged on the need to work towards best practices in operational efficiency, including via use of electronic dashboards enabling pilots to make more fuel-efficient decisions and match fuel use to fuel needs.

Row 3

(7.55.3.1) Method

Select from:

☒ Internal incentives/recognition programs

(7.55.3.2) Comment

Fuel efficiency, energy, and environmental managers are rewarded for achieving fuel/energy efficiency KPIs or climate change policy KPIs.

Row 4

(7.55.3.1) Method

Select from:

☒ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

Emissions trading costs allocation and accounting across departments within IAG carriers. In 2021, 2022 and 2023, IAG also complied with the new EU Taxonomy to disclose spend on activities defined as sustainable.

Row 5

(7.55.3.1) Method

Select from:

☒ Internal price on carbon

(7.55.3.2) Comment

IAG requires operating airlines to factor the carbon prices of their emissions into the annual business planning process, and these prices are used for planning financial investments over a five-year cycle. Business cases are required to identify appropriate carbon costings (like the EU ETS cost of allowances - see section C11) for projects that affect energy consumption, fuel efficiency, aircraft weight or aircraft purchasing. Operational decisions, such as the need to carry additional potable water or to tanker fuel when fuel supply is uncertain at destination airports, are also made with a price of carbon included in the business case.

[Add row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:

☒ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☒ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☒ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☒ The IEA Energy Technology Perspectives Clean Energy Technology Guide

(7.74.1.3) Type of product(s) or service(s)

Other

☒ Other, please specify :Hydro-treated esters and fatty acids (HEFA) - for sustainable aviation fuels

(7.74.1.4) Description of product(s) or service(s)

SAF made from low-carbon feedstocks, can save carbon emissions by 80% or more relative to fossil jet fuel over a comparable lifecycle. The Group began offering SAF emissions reductions to customers in 2021, to mitigate the carbon impacts of flights. The Group managed the waterborne import of the UK's first ever bulk supply of SAF, to supply IAG Cargo to operate the world's first net zero cargo charter flights between Stuttgart, London Heathrow and Atlanta for the customer Kuehne Nagel. British Airways also became one of the first airlines in the world to offer passengers the option to voluntarily purchase SAF emission reductions to mitigate the impacts of their flights. In 2023, the Group reinforced its SAF – Scope 3 program, offering the opportunity to corporate customer to mitigate their travel footprint by acquiring SAF. Both British Airways and Vueling continue to offer SAF emission reductions to customers on a voluntary basis and IAG Cargo completed SAF deals with key cargo customers including Kuehne Nagel, Bolloré Logistics, DB Schenker and DHL.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☒ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☒ Other, please specify :Lifecycle analysis aligned to the EU Renewable Energy Directive II

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☒ Cradle-to-grave

(7.74.1.8) Functional unit used

Lifecycle emissions per megajoule of energy for sustainable aviation fuel.

(7.74.1.9) Reference product/service or baseline scenario used

Lifecycle emissions per megajoule of energy for petroleum jet fuel.

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☒ Cradle-to-grave

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

157134

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

For the calculation of avoided emissions, we refer to the EU Renewable Energy Directive methodology or the UN CORSIA methodology and we follow the boundaries and allocation methods of the relevant regulatory systems. The above number (85gCO2e/MJ, translating into 0.000085tCO2e/MJ) is based on fossil jet fuel being 94gCO2/MJ, with sustainable aviation fuel averaging 9gCO2/MJ. In practice the saving could vary depending on the projects and feedstocks used in a given year.
[Add row]

(7.75) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Row 1

(7.75.1) Activity

Select from:

☒ Aviation

(7.75.2) Metric

Select from:

☒ Other, please specify :Number of SAF projects in planning stages

(7.75.3) Technology

Select from:

☒ Other, please specify :Sustainable Aviation Fuel

(7.75.4) Metric figure

12

(7.75.5) Metric unit

Select from:

☒ Other, please specify :Number of projects in the pipeline as publicly disclosed in the 2023 Annual Report

(7.75.6) Explanation

IAG is a pioneer in developing and using SAF. The global supply of these fuels is currently very limited, and without further investment and policy support, securing commercial volumes of SAF will be very difficult. In 2021, IAG committed to 10% SAF by 2030, which equates to approximately 1 million tonnes of fuel and over two million tonnes of CO2 saved. This represents a 500-fold increase from the 2,350 tonnes of SAF supplied to IAG in 2021. As part of developing and using SAF, IAG has a dedicated sustainable fuels team actively working to develop SAF partnerships and disclosed 12 SAF projects in multiple stages of planning in the 2023 Annual Report. These fuels, over their lifecycle, achieve at least 70% lower carbon emissions than standard fossil kerosene and so are an important way to reduce IAG's Scope 1 emissions as part of the Flightpath Net Zero programme. Fuel GHG savings are based on a lifecycle GHG assessment so emission savings actually accrue in Scope 3. However, regulators count these fuels as low carbon in the airline's Scope 1 reporting under EU ETS and CORSIA. Milestones in 2023 included:- Use of 53,000 tonnes of SAF, an increase of 417% versus 2022.- Securing of 33% of the 1 million tonne SAF target for 2030 - In June 2023, British Airways, LanzaJet and Nova Pangaea Technologies signed an agreement that will accelerate Project Speedbird, an initiative created by the companies in 2021 to develop cost-effective SAF for commercial use in the UK. - As of 31 December 2023, our total investment in SAF reached 1 billion, of which 86% is future commitments.¹ This is the largest disclosed commitment to SAF by any airline globally.

[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☒ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:

☒ Yes

(9.1.1) Provide details on these exclusions.

Row 1

(9.1.1.1) Exclusion

Select from:

☒ Specific groups, businesses, or organizations

(9.1.1.2) Description of exclusion

Water supply to aircraft and onboard operations.

(9.1.1.3) Reason for exclusion

Select from:

☒ Data is not available

(9.1.1.4) Primary reason why data is not available

Select from:

☒ Challenges associated with data collection and/or quality

(9.1.1.7) Percentage of water volume the exclusion represents

Select from:

☒ Unknown

(9.1.1.8) Please explain

IAG monitors water consumption from offices and maintenance facilities. On board water data is limited.

[Add row]

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☒ 76-99

(9.2.2) Frequency of measurement

Select from:

☒ Quarterly

(9.2.3) Method of measurement

Water use is monitored in offices, ground facilities and potable water onboard aircraft.

(9.2.4) Please explain

Portable water consumption is estimated by IAG airlines as water tanks on board aircraft are not drained in between flight operations, and suppliers do not monitor water consumption prior to flight.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

Water consumption is not a material issue for IAG.

[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

0

(9.2.2.2) Comparison with previous reporting year

Select from:

☒ About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☒ Unknown

(9.2.2.4) Five-year forecast

Select from:

☒ Unknown

(9.2.2.5) Primary reason for forecast

Select from:

☒ Unknown

(9.2.2.6) Please explain

Water is not a material issue for IAG. We monitor water consumption from offices and maintenance facilities. Data availability for on board water consumption is limited.

Total discharges

(9.2.2.1) Volume (megaliters/year)

0

(9.2.2.2) Comparison with previous reporting year

Select from:

☒ About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☒ Unknown

(9.2.2.4) Five-year forecast

Select from:

☒ Unknown

(9.2.2.5) Primary reason for forecast

Select from:

☒ Unknown

(9.2.2.6) Please explain

Water is not a material issue for IAG. We monitor water consumption from offices and maintenance facilities. Data availability for on board water consumption is limited.

Total consumption

(9.2.2.1) Volume (megaliters/year)

539791

(9.2.2.2) Comparison with previous reporting year

Select from:

☒ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☒ Unknown

(9.2.2.4) Five-year forecast

Select from:

☒ Unknown

(9.2.2.5) Primary reason for forecast

Select from:

☒ Unknown

(9.2.2.6) Please explain

Water is not a material issue for IAG. We monitor water consumption from offices and maintenance facilities. Data availability for on board water consumption is limited.

[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☒ Unknown

(9.2.4.9) Please explain

IG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption, biodiversity, raw materials consumption, or light pollution.

[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☒ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years

(9.3.4) Please explain

IG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption, biodiversity, raw materials consumption, or light pollution.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☒ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years

(9.3.4) Please explain

LAG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption, biodiversity, raw materials consumption, or light pollution.

[Fixed row]

(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

Select from:

☒ We do not have this data and have no intentions to collect it

(9.5) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue (currency)	Anticipated forward trend
	0	0

[Fixed row]

(9.12) Provide any available water intensity values for your organization’s products or services.

Row 1

(9.12.1) Product name

Total purchased goods and services.

(9.12.2) Water intensity value

0

(9.12.3) Numerator: Water aspect

Select from:

☒ Water consumed

(9.12.4) Denominator

Total revenue used. Calculated figure 0.000021m3/

(9.12.5) Comment

This calculation is an illustrative calculation based on water supply and consumption in offices and facilities, laundries, and potable water carried on-board. The denominator for this metric is calculated using total IAG Group revenue in. CO2e values are calculated by multiplying m3 water use by UK government conversion factors. This metric does not accurately illustrate IAG total water use owing to estimations required in determining water put on aircraft.

[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

(9.13.1) Products contain hazardous substances

Select from:

☒ Unknown

(9.13.2) Comment

IAG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption, biodiversity, raw materials consumption, or light pollution.
[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:

☒ No, and we do not plan to address this within the next two years

(9.14.3) Primary reason for not classifying any of your current products and/or services as low water impact

Select from:

☒ Judged to be unimportant, explanation provided

(9.14.4) Please explain

IAG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption, biodiversity, raw materials consumption, or light pollution.
[Fixed row]

(9.15) Do you have any water-related targets?

Select from:

☒ No, and we do not plan to within the next two years

(9.15.3) Why do you not have water-related target(s) and what are your plans to develop these in the future?

(9.15.3.1) Primary reason

Select from:

☒ Judged to be unimportant, explanation provided

(9.15.3.2) Please explain

IAG does not have specific risk provisions, targets or guarantees related to non-material issues such as water consumption, biodiversity, raw materials consumption, or light pollution.

[Fixed row]

C10. Environmental performance - Plastics

(10.1) Do you have plastics-related targets, and if so what type?

(10.1.1) Targets in place

Select from:

☒ Yes

(10.1.2) Target type and metric

Plastic packaging

☒ Eliminate single-use plastic packaging

(10.1.3) Please explain

IAG launched a '5 by 2025' plan in 2021 that covers five waste streams and five business units, using 2019 figures as the baseline for our targets. The plan includes waste generation and recycling targets across on-board, office, cargo and maintenance waste and a zero-based approach to single-use plastic (SUP). IAG is committed to reducing, reusing and recycling waste and dealing with any hazardous waste in line with relevant national and international regulations.

[Fixed row]

(10.2) Indicate whether your organization engages in the following activities.

Production/commercialization of plastic polymers (including plastic converters)

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not applicable

Production/commercialization of durable plastic goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not applicable

Usage of durable plastics goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not applicable

Production/commercialization of plastic packaging

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not applicable

Production/commercialization of goods/products packaged in plastics

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not applicable

Provision/commercialization of services that use plastic packaging (e.g., food services)

(10.2.1) Activity applies

Select from:

☒ Yes

(10.2.2) Comment

On-board services are the main source of waste. Key waste outputs include plastic packaging, leftover food waste, drinks bottles and cabin items such as wrappers. Key inputs included on-board meals and amenity kits supplied to passengers.

Provision of waste management and/or water management services

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not applicable

Provision of financial products and/or services for plastics-related activities

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not applicable

Other activities not specified

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not applicable

[Fixed row]

(10.5) Provide the total weight of plastic packaging sold and/or used and indicate the raw material content.

Plastic packaging used

(10.5.1) Total weight during the reporting year (Metric tons)

52699

(10.5.2) Raw material content percentages available to report

Select all that apply

☒ None

(10.5.7) Please explain

In 2023, IAG operations generated: • 52,699 tonnes overall (52,655 tonnes in 2022); comprised of • 51,749 tonnes non-hazardous waste; and • 950 tonnes hazardous waste.
[Fixed row]

(10.5.1) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is technically recyclable	Please explain
Plastic packaging used	Select all that apply ☒ % technically recyclable	19	This figure is representative of all waste and not just plastic. We recovered or recycled 7,650 tonnes of waste in 2023, 19% of our total waste.

[Fixed row]

(10.6) Provide the total weight of waste generated by the plastic you produce, commercialize, use and/or process and indicate the end-of-life management pathways.

Usage of plastic

(10.6.1) Total weight of waste generated during the reporting year (Metric tons)

52699

(10.6.2) End-of-life management pathways available to report

Select all that apply

(10.6.4) % recycling

19

(10.6.12) Please explain

This figure is representative of all waste and not just plastic. We recovered or recycled 7,650 tonnes of waste in 2023, 19% of our total waste.
[Fixed row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☒ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☒ Land/water management

☒ Species management

☒ Education & awareness

☒ Livelihood, economic & other incentives

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☒ Yes, we use indicators	Select all that apply

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
		☒ Other, please specify :We aim to ensure that the SAF projects we secure offtake from are aligned with principles from the Roundtable on Sustainable Biomaterials (RSB) or International Sustainability & Carbon Certification (ISCC) standards.

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	Select from: ☒ No	
UNESCO World Heritage sites	Select from: ☒ No	
UNESCO Man and the Biosphere Reserves	Select from: ☒ No	
Ramsar sites	Select from: ☒ No	
Key Biodiversity Areas	Select from: ☒ No	
Other areas important for biodiversity	Select from: ☒ No	

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

(13.1.1) Other environmental information included in your CDP response is verified and/or assured by a third party

Select from:

☒ No, and we do not plan to obtain third-party verification/assurance of other environmental information in our CDP response within the next two years

(13.1.3) Explain why other environmental information included in your CDP response is not verified and/or assured by a third party

The full contents of this sustainability report are included in the IAG Non-Financial Information Statement (NFIS) which is independently verified by a third-party to limited assurance standards in line with ISAE3000 (Revised) standards. IAG's most material environmental metric – Scope 1 emissions – receives additional verification each year as part of the EU, Swiss and UK Emissions Trading Schemes (ETS) and the international Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), within six months of the issuance of this report. Any material changes are restated in future reports. Compliance with specific frameworks and standards is listed under relevant section headings and summarised in section C.8 of the Non-Financial Information Statement. While IAG does not align with the Global Reporting Initiative (GRI) Core or GRI Comprehensive standards, it aligns with selected GRI standards based on compliance with Spanish Law 11/2018 and chooses to voluntarily align with other GRI standards on material issues.

[Fixed row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

	Additional information
	N/A

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

IAG Head of Sustainability

(13.3.2) Corresponding job category

Select from:

☒ Environment/Sustainability manager

[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:

☒ No

