Public Country-by-Country Report of the IAG Group

Financial year 2025

1. Introduction

EU Public Country-by-Country Reporting obligations

The Public Country-by-Country Reporting (CbCR) Directive was adopted by the European Parliament in November 2021 with the objective of enhancing transparency in corporate taxation.

Under this framework, large multinational groups operating within the European Union are required to publicly disclose key tax-related information. This includes details on their activities and geographic footprint, number of employees, revenues, profits, taxes paid and accrued, as well as other relevant financial data, broadly aligned with the principles set out in BEPS Action 13 on Country-by-Country Reporting.

The Directive has been transposed into Spanish legislation through Additional Provision 11 of Law 22/2015, of 20 July, on Statutory Audits, and is applicable to financial years starting on or after 22 June 2024. This implies that Groups with financial years that follow the calendar year are subject to this obligation for FY 2025 onwards, as is the case of IAG Group.

According to the EU Directive, the Public Country by Country ("CbCR") information must be disclosed at the very latest within twelve months after year-end in one official EU register and on one internet website that is freely accessible to the general public for at least five years.

However, in accordance with the applicable Spanish legal provisions, the Country-by-Country Report must be approved and published within the accelerated timeline of six months following the end of the financial year to which it refers. It must also be submitted to the Commercial Registry together with the documents that form part of the consolidated annual accounts.

This information must be provided - on a jurisdictional basis - for all in-scope subsidiaries and branches for each EU member state, for each member state of the European Economic Area (EEA; i.e., Iceland, Liechtenstein, and Norway), and for each state that is (or that has been) included on the EU list of non-cooperative jurisdictions (i.e. annex I and annex II). All other jurisdictions may be aggregated into "All other tax jurisdictions" (on an aggregated basis).

2. Definitions and criteria applied in the elaboration of the EU Public Country-by-Country Reporting

Data Source

We prepare the Country-by-Country Report applying the standards and criteria established by the OECD and the Spanish applicable guidelines.

The main source of information are the individual underlying entities' financial information in IFRS (excluding consolidation adjustments) and the IAG Group has prepared the information contained in the Country-by-Country Report by aggregating the information contained in the separate individual underlying entities' financial information of the Group's entities, based on IFRS accounting standards.

In the case of the overseas permanent establishments ("PEs"), as they lack of IFRS financial information by the date of the report, an estimated amount at reporting date of the revenues and profit before tax ("PBT") of the head office allocable to the branch has been considered for the PEs as closely aligned as possible with the figures that will be used to support the local PE tax filings which will be finalized and filed throughout the year.

All monetary amounts are expressed in euros and the translation into euros is based on the stated functional currency of the IAG Group at the average exchange rate for the year.

Perimeter

The group entity listing comprises those entities under control that are fully or partially consolidated on a line-by-line basis, while excluding entities accounted for under the equity method. Permanent establishments taxable at source are treated as part of the tax jurisdiction in which they operate.

Entities that have been acquired or disposed during the financial year are also included within the scope, to the extent that their income, expenses, assets or liabilities have been fully or proportionately reflected in the group's consolidated financial statements for at least part of the year.

Content of the report by figure

- **Revenues:**

  All revenue, gains, income, or other credit inflows shown in the financial information prepared in accordance with IFRS, are reported as Revenues.

  Only dividends received from another constituent entity within the CbCR perimeter, and the share profit recorded representing all or part of another constituent entity's profit are excluded.

  As the information is derived from the aggregation of figures obtained from the individual underlying entities' financial information, revenue reported reflects the total amount of both domestic and international operations, without eliminating intra-group transactions that would normally be removed in the consolidation process. Therefore, this information may vary from the one expressed for the same or similar items in the Group's consolidated financial statements.

- **Profit (or loss) before tax**:

  IAG reports the sum of the profit (loss) before income tax for all the Constituent Entities resident for tax purposes in the relevant tax jurisdiction. The profit (loss) before income tax includes all extraordinary income and expense items. Consistent with Revenue, profit (or loss) before Income Tax excludes dividends received from other entities within the CbCR perimeter in line with their exclusion in the revenue section (intercompany transactions are not eliminated). In the case of overseas PEs, their profit (or loss) before tax is subtracted from the head office´s profit (or loss) before tax.

- **Income tax paid (on cash basis):**

  Income tax paid includes tax refunds, litigation payments and withholding tax (except withholding on dividends which are excluded from the revenues and PBT figures, as mentioned). In some jurisdictions, the income tax paid / (refund) refers to results from previous years.

- **Income tax accrued (current year)**[1]:

  Current income tax expense recognized on taxable profits or losses of the financial year in the relevant tax jurisdiction. This item excludes the tax expense associated with uncertain tax positions, deferred taxes as well as the current expense relating to dividends received from other constituent entities.

  Tax accrued and tax paid could differ among others due to statutory payment schedule or payments from previous years.

- **Accumulated earnings:**

  This item includes the total amount of reserves including legal reserves, other reserves and prior years income or loss. This does not include either the result of the year nor distributions being made in the period out of in-year income. In the case of PEs, the results are incorporated by the legal entity to which the PE belongs.

- **Number of employees:**

  The reported data is the headcount as at 31 December 2025 as detailed in the consolidated Group FY25 published results.

3. Public Country-by-Country Report

Section 1

General information

SECTION 1 GENERAL INFORMATION	
Name of the ultimate parent of the group / of the standalone undertaking	International Consolidated Airlines Group, S.A.
Country where the ultimate parent has its registered office	Spain
Financial Year – start date	2025 – January 1
Financial Year – end date	2025 – December 31
Reporting currency (*)	EUR
Is the information in the report based on reporting instructions used for tax purposes, pursuant to Section III, Parts B and C, of Annex III to Directive 2011/16/EU (yes/no)?	Yes
Name and registered office of a single subsidiary undertaking which has published the report on income tax information of an undertaking that is not governed by the law of a Member State	N/A

[1] Please note that the income tax used for the calculation of the effective tax rate under the OECD Pillar Two transitional safe harbour differs from the income tax accrued in the Public Country-by-Country Report since the latter includes only current income tax expense and excludes deferred taxes.

Name and address of a single branch which has published the report on income tax information of an undertaking that is not governed by the law of a Member State	N/A
Language of the report	English

Section

Overview of information on a country-by-country basis (in euros)

SECTION 2
OVERVIEW OF INFORMATION ON A COUNTRY-BY-COUNTRY BASIS

Tax jurisdiction	Country code (ISO)	Revenues	Profit (loss) before Income Tax	Income Tax paid - on cash basis	Income Tax accrued - current year	Accumulated earnings	Number of employees
Belgium	BE	493,152	15,705	4,982	3,926	0	3
France	FR	718,063	6,294,335	25,077	8,051	0	4
Germany	DE	1,441,015	33,440	20,535	10,032	0	6
Ireland	IE	2,847,454,685	272,040,628	365,119	4,531,342	26,169,305	5,709
Italy	IT	5,665,857	202,490	915,302	847,741	0	197
Netherlands	NL	955	0	3,912	0	0	0
Poland	PL	33,529,705	924,935	414,520	168,779	3,108,364	568
Spain	ES	12,780,513,923	1,437,880,805	228,247,814	214,290,807	825,093,410	25,215
Sweden	SE	982,133	12,630	3,866	2,652	0	3
All other jurisdictions (aggregated basis)	X5	23,612,760,605	2,886,358,597	257,697,540	255,683,415	4,814,973,702	44,081

SECTION 3
LIST OF SUBSIDIARIES AND ACTIVITIES

Member State or tax jurisdiction	Country code	Name of each subsidiary undertaking in the Member State or tax jurisdiction	Brief description of the nature of activities in the Member State or tax jurisdiction
Belgium	BE	IAG Cargo Limited - Belgian Branch	Sales, Marketing or Distribution
France	FR	IAG Cargo Limited - French Branch	Sales, Marketing or Distribution
France	FR	Openskies, SASU	Other
Germany	DE	IAG Cargo Limited - German Branch	Sales, Marketing or Distribution
Ireland	IE	Aer Lingus Limited	Provision of Services to Unrelated Parties
Ireland	IE	Santain Developments Limited	Dormant
Ireland	IE	Aer Lingus 2009 DCS Trustee Limited	Other
Ireland	IE	Aer Lingus Beachey Limited	Dormant
Ireland	IE	Aer Lingus (Ireland) Limited	Administrative, Management, or Support Services
Ireland	IE	Aer Lingus Group DAC	Holding Shares or Other Equity Instruments
Ireland	IE	IAG Cargo Limited - Irish branch	Sales, Marketing or Distribution
Ireland	IE	Avios Group (AGL) Limited - Irish branch	Dormant
Ireland	IE	IAG Transform Limited - Irish branch	Administrative, Management, or Support Services
Italy	IT	IAG Cargo Limited - Italian Branch	Sales, Marketing or Distribution
Italy	IT	Vueling Airlines, S.A - Italian Branch	Provision of Services to Unrelated Parties
Netherlands	NL	IAG Cargo Limited - Dutch branch	Sales, Marketing or Distribution
Poland	PL	IAG GBS Poland sp z.o.o	Administrative, Management, or Support Services
Spain	ES	IAG Cargo Limited - Spanish branch	Sales, Marketing or Distribution
Spain	ES	Fly Level, S.L.	Administrative, Management, or Support Services

Spain	ES	Fly Level Barcelona LH, S.L.	Provision of Services to Unrelated Parties
Spain	ES	Iberia Líneas Aéreas de España, S.A. Operadora	Administrative, Management, or Support Services; Provision of Services to Unrelated Parties
Spain	ES	Iberia Tecnología, S.A	Administrative, Management or Support Services
Spain	ES	Compañía Operadora de Corto y Medio Radio Iberia Express, S.A	Provision of Services to Unrelated Parties
Spain	ES	South Europe Ground Services, S.L	Provision of Services to Unrelated Parties
Spain	ES	IB Opco Holding, S.L	Holding Shares or Other Equity Instruments
Spain	ES	Iberia LAE Solutions, S.L.	Administrative, Management or Support Services
Spain	ES	Compañía Explotación Aviones Cargueros Cargosur, S.A	Administrative, Management, or Support Services
Spain	ES	Iberia Desarrollo Barcelona, S.L	Administrative, Management, or Support Services
Spain	ES	International Consolidated Airlines Group, S.A.	Administrative, Management, or Support Services; Holding Shares or Other Equity Instruments
Spain	ES	Avios Group (AGL) Limited - Spanish branch	Sales, Marketing or Distribution; Provision of Services to Unrelated Parties
Spain	ES	IAG Transform Limited - Spanish branch	Administrative, Management, or Support Services
Spain	ES	Vueling Airlines, S.A	Provision of Services to Unrelated Parties
Spain	ES	Yellow Handling, S.L.U	Administrative, Management, or Support Services
Sweden	SE	IAG Cargo Limited - Swedish branch	Sales, Marketing or Distribution

Section 4

Omitted information

SECTION 4
OMITTED INFORMATION
Information omitted (if any) for this financial year
Not applicable
Information omitted in previous years, which is disclosed in this financial year (if any)
Not applicable