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Tackling global aviation emissions



Why sustainable fuels?

Tackling global aviation emissions

3 GLOBAL GOALS

4 PILLARS OF CLIMATE ACTION



Setting the global strategic direction

GOAL 01

PRE-2020
AMBITION

1.5% annual average fuel
efficiency improvement
from 2009 to 2020.

T O I

GOAL 02

IN LINE WITH THE NEXT
UNFCCC COMMITMENT
PERIOD

Stabilise net aviation CO₂
emissions at 2020 levels
with carbon-neutral growth.

T O I + M

GOAL 03

ON THE 2°C
PATHWAY

Reduce aviation's net CO₂
emissions to 50% of the
2005 level, by 2050.

T O I



Four pillars making improvements across the whole system

Technology & sustainable fuels

T

Operations

O

Infrastructure

I

Market-based measures

M



IAG has committed to reduce its carbon footprint, with a long-term goal of reaching **net zero CO₂ emissions by 2050**.

The aviation industry is currently reliant on fossil fuels, and low-carbon solutions for aviation are more complex than for other sectors—but IAG believe the ambitious goal is achievable.

With Flightpath net zero, IAG is putting **environmental sustainability** at the heart of its business, ready to meet the task ahead.



Flightpath net zero



IAG climate targets:

By 2050: **net zero** CO₂

By 2030: 20% reduction net CO₂

By 2025: 80gCO₂/pkm



British Airways to offset carbon emissions for all its UK domestic flights from 2020



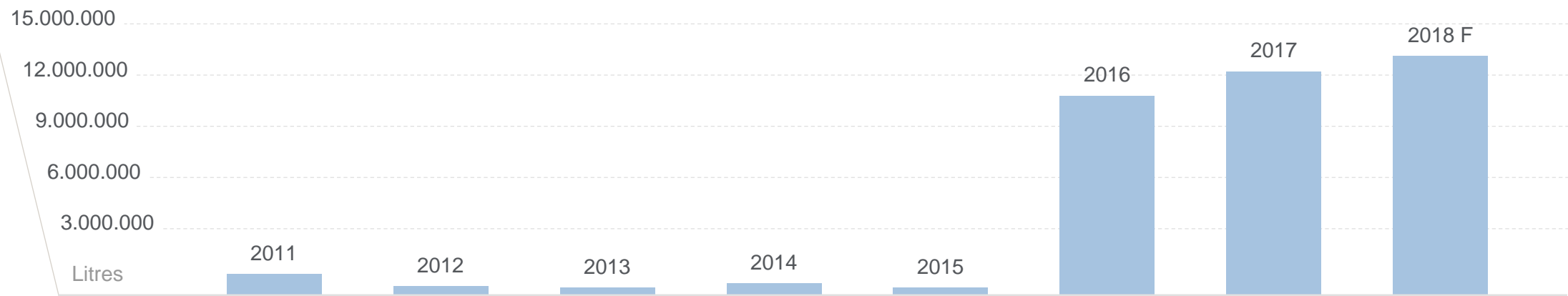
Investing \$400M in development and offtake of sustainable aviation fuels



Sustainable aviation fuel deployment



Production ramp-up in sustainable aviation fuel will continue, annual estimates

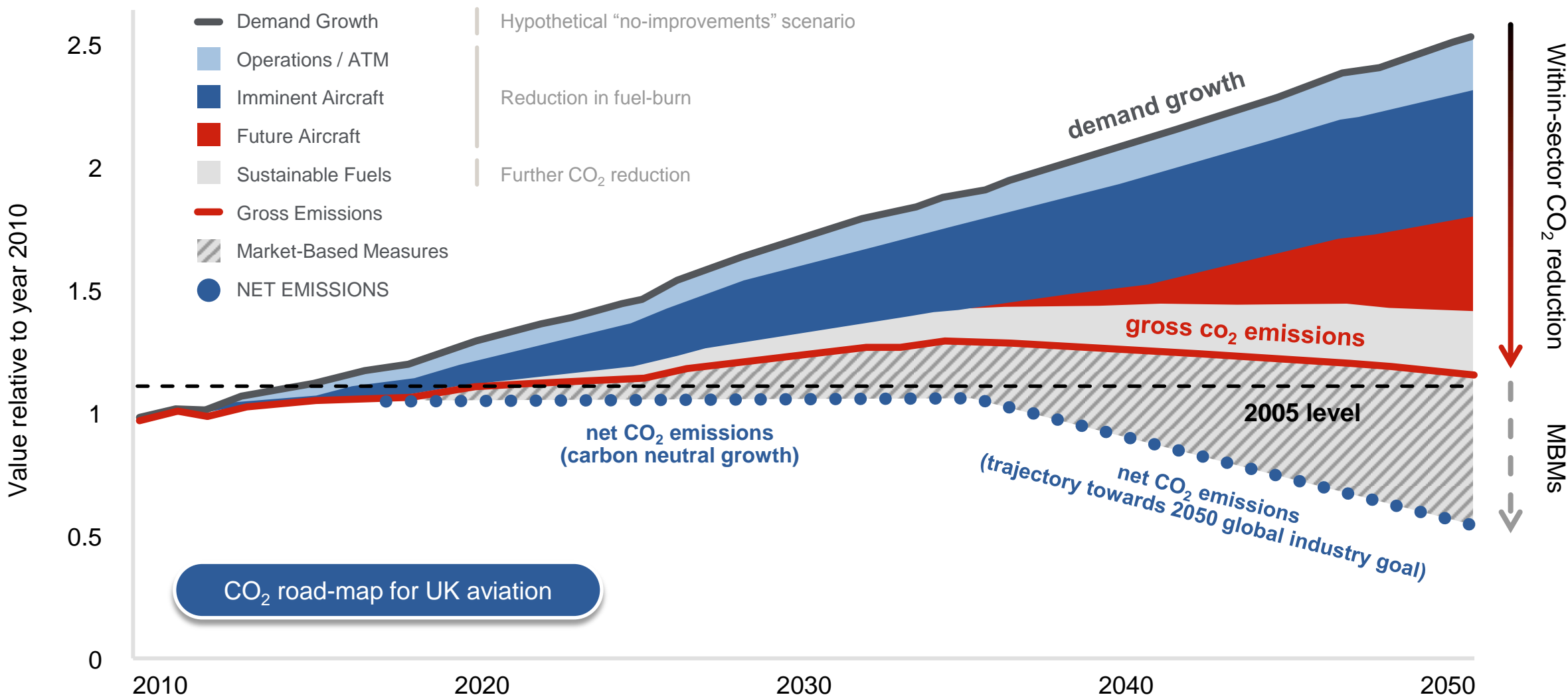




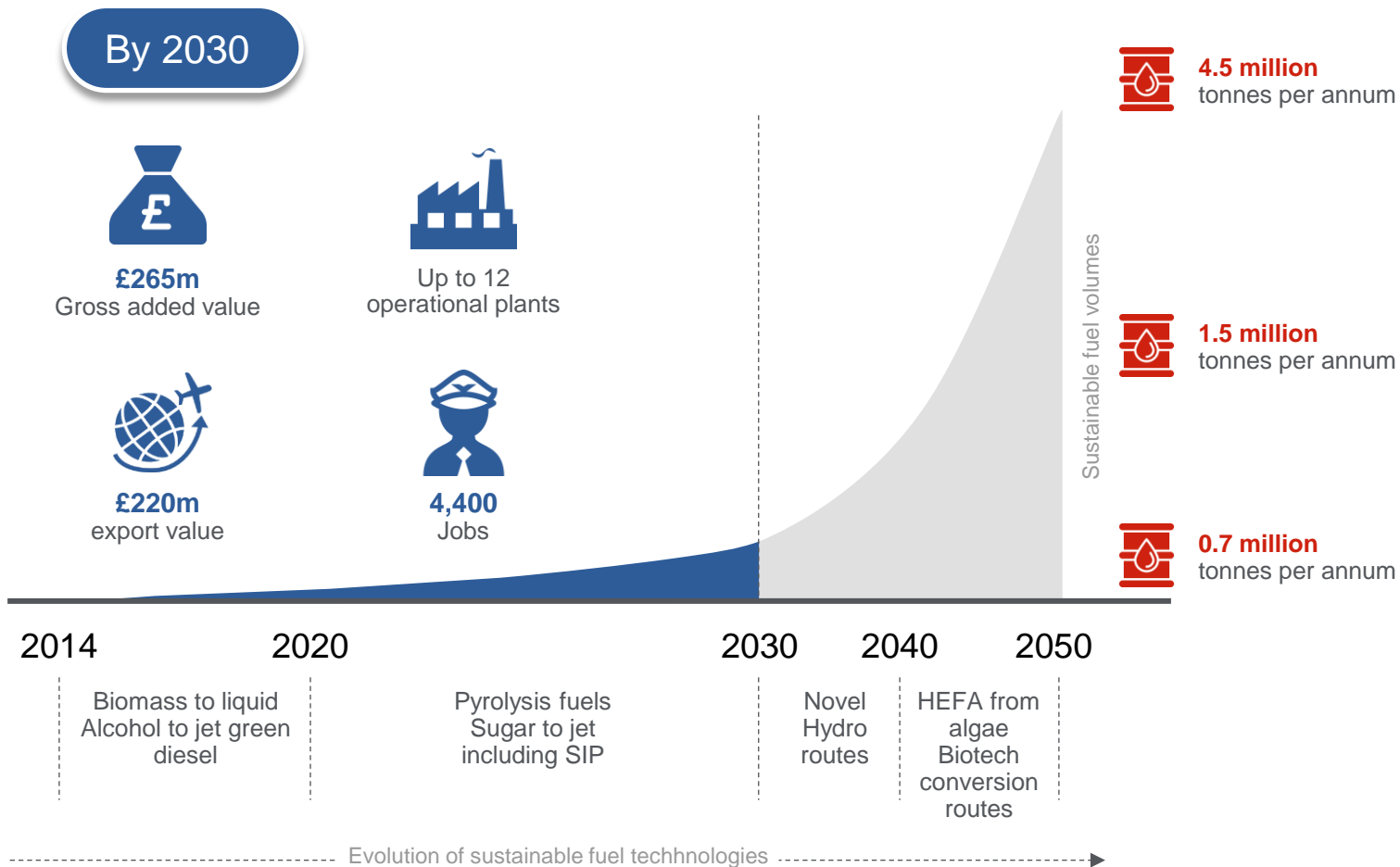
The UK picture



UK carbon roadmap to 2050



Sustainable aviation fuel road map (UK)



18-24%
reduction in CO₂ from UK
aviation potential by supporting
use of sustainable aviation fuels
in the UK. UK airlines currently
supporting landfill waste and
waste gas to jet fuel
innovations.



UK potential top line facts

Latest research findings

By 2035



- Up to **14** sustainable aviation fuel plants producing nearly **8%** of total UK aviation fuel needs
- Gross value added to the UK of **£2.7bn per annum**
- Additional **5,200 UK** jobs (increase of 800 since 2014) or **c. 19,000 new UK** jobs including exports

By 2050



- Ability to have up to **30%** of UK aviation fuel using sustainable fuels



Vision



UK can lead the world in the development and production of sustainable aviation fuels



Sustainable aviation fuels will play a key role in decarbonising the industry



We set a challenge to UK universities to develop a proposal for a pathway to achieve global leadership around this critically important opportunity and beyond



From the very high quality entries we believe a number of these projects should be taken forward as they can play a key role in helping the UK lead the world in the development and deployment of sustainable aviation fuels



Vision – Why the UK?



We have the skills



We have available
feedstocks



We have many
potential sites



We have high demand
for the final product



We have
Government support



We have world class
academic institutions



Vision – Benefits to the UK



Significant role in decarbonising
airline travel



Help redevelopment of ex-industrial
areas in the UK



Create high number of high quality
renewable jobs



Reduce the UK dependency
on imported jet fuel



Reduce the amount of waste that
goes to landfill



Significant opportunities for exports
as UK leads in the development and
deployment of advanced technologies



British Airways project in the UK



We strongly welcome the UK Government announcement to create a level playing field of incentives for sustainable aviation fuels key to UK projects



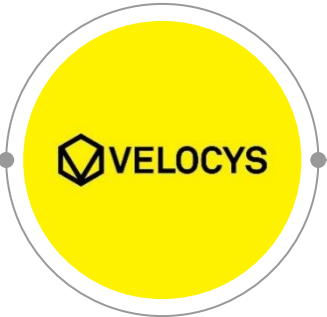
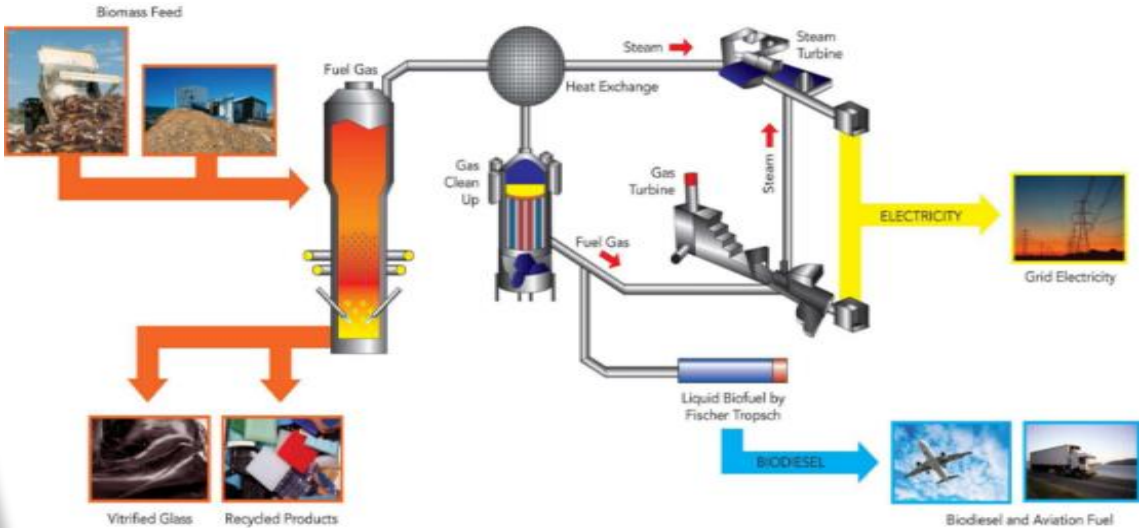
Partnership with technology partner Velocys and Shell to build plant



Uses waste that would otherwise be destined for landfill



We believe there are significant opportunities for further waste to fuels plants in the UK and around the world





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Thank you

