

REPORT BY THE BOARD OF DIRECTORS OF INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A. IN RELATION TO THE PROPOSED RE-ELECTION OF DIRECTORS REFERRED TO UNDER ITEM FIVE ON THE AGENDA FOR THE SHAREHOLDERS' MEETING CALLED FOR 17 JUNE 2015, ON FIRST CALL, AND FOR 18 JUNE 2015, ON SECOND CALL

The Board of Directors of International Consolidated Airlines Group, S.A. (the “**Company**” or “**IAG**”), with the support of the Nominations Committee, has issued this report with a view to justifying the proposed re-election of the directors of the Company which is submitted to the Shareholders’ Meeting for approval under item five on the agenda.

In accordance with the provisions of Article 529 decies of the Spanish Companies Law (*Ley de Sociedades de Capital*), all proposals for the appointment or re-election of directors must be accompanied by an explanatory report by the board of directors assessing the competence, experience and merits of the proposed candidate, which will be attached to the minutes of the shareholders’ meeting or of the Board meeting. Pursuant to sub-article 6 thereof, in the event of the appointment or re-election of any director that is not an independent director, the proposal must also be preceded by a report by the Nominations Committee.

In the case at hand, the proposal to re-elect the directors of IAG, both independent and otherwise, has come from the Nominations Committee, which has actively participated in the preparation of this report, that is presented jointly to the shareholders for evaluation.

In this regard, the term of office for directors of the Company is one year, following the approval by the 2014 Shareholders’ Meeting of the amendment of article 36 of the Corporate Bylaws. Although the Spanish Unified Good Governance Code did not established any recommendation in this regard (nor currently does the Good Governance Code for Listed Companies of February 2015), the UK Corporate Governance Code applicable in the United Kingdom recommends that directors of companies belonging to the FTSE 350 index (which is the case of IAG, which belongs to the FTSE 100 index) should be subject to re-election on an annual basis.

For this reason, true to its commitment to comply with the best corporate governance recommendations, the Company decided to apply the recommendation of the UK Corporate Governance Code and, by virtue thereof, to submit to the Shareholders’ Meeting on an annual basis the re-election of the members of the Board of Directors, so that the shareholders may cast their vote annually in relation to the continuity of each one of the directors, on a separate basis.

Accordingly, under resolution five on the agenda, the Board of Directors proposes to the Shareholders' Meeting the re-election of the following Company directors: Mr. Antonio Vázquez Romero, Sir Martin Broughton, Mr. William Walsh, Mr. César Alierta Izuel, Mr. Patrick Cescau, Mr. Enrique Dupuy de Lôme, Baroness Kingsmill, Mr. James Lawrence, Ms. María Fernanda Mejía Campuzano, Mr. Kieran Poynter, Dame Marjorie Scardino and Mr. Alberto Terol Esteban; for the corporate bylaws mandated one-year term, all of them, as indicated above, at the proposal from the Nominations Committee.

Each of the proposals for re-election of directors shall be voted on separately and independently, pursuant to the provisions of Article 197 bis of the Companies Law.

The first section of this report contains a joint evaluation of the proposal for the re-election of the Company directors submitted to the Shareholders' Meeting, and the second section contains an individual report on each director with the information necessary for shareholders to be able to cast their vote on the proposal.

1.- JOINT REPORT

1.1. The Board of Directors

The Board of Directors provides business leadership to the Group pursuant to prudent and effective controls that allow for the assessment and management of risk. The Board sets the strategic targets of the Group, ensures that the group has the financial and human resources necessary to achieve its targets and reviews the performance of the management team. It also establishes the values and standards of the Group and ensures that the Group's obligations to its shareholders and other stakeholders are understood and fulfilled. The functions of the Board of Directors are set out in the Board Regulations, which are available on the Company's website.

Last year saw the internal restructuring of corporate governance at the IAG Group, which allowed the different functions of the Group's corporate bodies to be streamlined and reinforced, leading to a clear and effective division of responsibilities between the Board of Directors and the Management Committee. Both the Chairman and Deputy Chairman currently dedicate their time exclusively to their functions on the Board of Directors after stepping down as the Chairmen of Iberia and British Airways, respectively.

In 2014, Ms. María Fernanda Mejía Campuzano joined the Board of Directors as an independent director, culminating the renewal process commenced in 2013 and strengthening the Board's experience in the areas of consumer goods and services.

The Board of Directors is currently made up of eleven non-executive directors (ten of whom are independent directors) and two executive directors, the CEO and the CFO of IAG.

1.2. Committees of the Board of Directors

The Board of Directors has created four specific committees to assist it in effectively fulfilling its responsibilities: the Audit and Compliance Committee, the Nominations Committee, the Remuneration Committee and the Safety Committee. The functions and responsibilities of each of these committees are established in the Board Regulations, which are available on the IAG's website.

As regards the composition of the committees, the Nominations Committee recommended two changes in 2014 which the Board of Directors approved in October. The first was the appointment of Ms. María Fernanda Mejía as a member of the Remuneration Committee, which reinforced its composition by adding a fourth independent director. The second was the appointment of a new Chairman of the Audit and Compliance Committee, as required by Spanish law and the Corporate Bylaws following the end of the four-year term of the existing Chairman, with Mr. Kieran Poynter being replaced by Mr. James Lawrence.

1.3. Evaluation of the Board of Directors, its committees and members

Following the external evaluation carried out last year, the performance evaluation of the Board and its committees was carried out internally in 2014, using self-evaluation questionnaires with a view to evaluating the opinions and viewpoints of the directors with respect to a range of matters, such as, for example: Board functions and organization, Board composition, organization of meetings, quality of Board debates, knowledge and experience, relationship with members of the management team, and progress on the 2014 improvement plan.

The Board Secretary prepared reports on the performance evaluation of the Board and of each Board committee. Each of these reports, as well as the feedback from the questionnaires, were submitted to the different committee chairs for consideration and were addressed at the meetings of the Board and of the various committees held in January 2015. The evaluation concluded that the Board of Directors effectively fulfilled its responsibilities in 2014.

The Board of Directors also evaluated the performance of the Chairman and of the CEO, concluding in both cases that they were discharging their respective offices in a very satisfactory manner.

Beyond this general conclusion, the directors also openly addressed how the Board of Directors should focus and improve its work. The Board unanimously recognized the progress made in 2014, particularly highlighting the work on the succession plans for the Board and for the management team.

As agreed, the annual activities plan of the Board included more presentations by the operating companies and their management teams. In September 2014, a special

strategy meeting was held over two days and has also been included in the Board schedule for 2015 and 2016.

Work on the succession plans and on developing talent for the management team should continue to be built on in 2015 and also be extended to all areas of the Group.

In turn, the Nominations Committee will continue to focus its analysis on the long-term composition of the Board of Directors. A number of steps have been agreed that will lead to improved efficiency of the Board of Directors, including the following: review and improved organization of the agenda for Board meetings in 2015 in order to reinforce the presence of strategic matters during the year; continued improvement in the quality of the information sent and presented to the Board of Directors; and the organization of meetings of non-executive directors and the operating companies as a means of expanding the Board's knowledge of the business and increasing its exposure to Group executives, in line with the meetings held in 2014.

1.4. Diversity on the Board of Directors

The diversity policy of the Board of Directors was revised and updated in June 2014. This policy recognizes the value of diversity as a means of enriching Board debates and the decision-making process.

With this in mind, the aim of the Board of Directors is to create a body composed in such a way as to guarantee a healthy range of opinions, perspectives, skills, experience, careers and approaches. Specifically, it will have a suitable distribution of men and women and shall contemplate diversity in other ways, subject to the prevailing principle of merit and suitability mentioned above. This will be done gradually, taking into account the valuable knowledge and experience of the current members of the Board, and the value of having a more diverse body. Consequently, the Board is aiming for 25% female representation by the end of 2015.

The Board, through the Nominations Committee, regularly reviews the percentage of female representation on the Board and the Company's Management Committee, as well as overseeing the number of women in the Group's workforce worldwide.

In addition, it must be highlighted that the current composition of the Board of Directors combines a healthy and diverse range of perspectives and professional experience, having a considerable number of directors with experience in executive positions at the highest level and a notable and superb variety of nationalities and cultural knowledge, with broad experience and international know-how in very different sectors.

1.5. Overall evaluation

In preparing the proposal for re-election of the directors of the Company, the Nominations Committee and the Board of Directors itself have taken into account all of the above aspects, as well as the suitability of the professional profiles of the directors to the area of activity of the Company and to its international nature and the requirements of the Board in order to effectively fulfil its supervisory and control functions.

In this connection, the experience, training and professional profile of the directors whose re-election is submitted to the Shareholders' Meeting for approval evidence their merits and competence to hold office as directors of IAG and their experience and knowledge in diverse sectors and matters that are relevant to the Company, thus guaranteeing the quality of debates within the Board of Directors of IAG.

With the proposal made to the Shareholders' Meeting, the Board of Directors shall be composed of twelve directors, nine of whom shall be independent directors (more than 80% of all directors) and three of whom are women (25% of the total).

In light of all of the above, the Nominations Committee and the Board of Directors itself particularly value the contribution of the directors whose re-election is proposed to the sound functioning of the Board and to the effective performance of its supervisory and control functions, having concluded that they all meet the requirements of good standing, suitability, reliability, competence, qualifications, training, availability and commitment to office and are not subject to any grounds for incompatibility, prohibition or conflict of interest.

2.- INDIVIDUAL REPORT

a) **TO RE-ELECT MR. ANTONIO VÁZQUEZ ROMERO AS A DIRECTOR, CLASSIFIED AS OTHER EXTERNAL DIRECTOR.**

- Professional profile and biographical data of Mr. Antonio Vázquez Romero:

Key areas of prior experience: consumer, sales/marketing, finance, corporate governance.

Current external appointments: Member of the Advisory Board of Telefónica Latam. Member of the Advisory Board of the Franklin Institute. Member of the Advisory Board of Loyola University.

Previous relevant experience: Executive Chairman, Iberia 2009-2011. Chairman and CEO, Altadis Group 2005-2008. Chairman, Board of Directors of Logista 2005-2008. Non-Executive Director, Iberia 2005-2007. Chief

Operating Officer and other various positions, Cigar Division of Altadis Group 1993- 2005. Various positions at Osborne 1978-1983 and Domecq 1983-1993.

- Date of first and of most recent appointment as a director of the Company:

Mr. Antonio Vázquez Romero was appointed as other external director for the first time on May 25, 2010 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Mr. Antonio Vázquez Romero owns 512,291 Company shares.

- Category of director:

Although the Board of Directors considers that Mr. Antonio Vázquez Romero can discharge his office without being conditioned by relations with the Company or its Group, its significant shareholders or its executives, up to the effective merger of British Airways and Iberia (21 January 2011), Mr. Vázquez was an executive director of Iberia and cannot therefore be classified as an independent director pursuant to the provisions of Article 529 duodecies of the Companies Law. Accordingly, Mr. Antonio Vázquez Romero shall have the status of other external director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Mr. Antonio Vázquez Romero has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of other external director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Mr. Antonio Vázquez Romero as a director of IAG, classified as other external director:

RESOLUTION 5.b)

“To re-elect Mr. Antonio Vázquez Romero as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of other external director.”

- b) TO RE-ELECT SIR MARTIN BROUGHTON AS A DIRECTOR, CLASSIFIED AS NON-**

EXECUTIVE INDEPENDENT DIRECTOR.

- Professional profile and biographical data of Sir Martin Broughton:

Key areas of prior experience: consumer, finance, corporate governance.

Current external appointments: Chairman of Sports Investment Partners.

Previous relevant experience: Chairman, British Airways 2004-2013. Director, British Airways since 2000. President, Confederation of British Industry 2007-2009. Chairman, Liverpool FC 2010. Chairman, British Horseracing Board 2004-2007. Chairman, British American Tobacco 1997-2004 following its demerger from BAT Industries, previously Chief Executive Officer, BAT Industries 1993-1997 and member of the Board since 1988. Other executive positions at British American Tobacco 1971-1993.

- Date of first and of most recent appointment as a director of the Company:

Sir Martin Broughton was appointed as non-executive independent director for the first time on May 25, 2010 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Sir Martin Broughton owns (directly and indirectly) 174,910 Company shares.

- Category of director:

Sir Martin Broughton has been proposed in light of his personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that he can discharge his office without being conditioned by relations with the Company or its group, its significant shareholders or its executives, for which reason he should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Sir Martin Broughton has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of independent director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Sir Martin Broughton as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.c)

“To re-elect Sir Martin Faulkner Broughton as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

c) TO RE-ELECT MR. WILLIAM WALSH AS A DIRECTOR, CLASSIFIED AS EXECUTIVE DIRECTOR.

- Professional profile and biographical data of Mr. William Walsh:

Key areas of prior experience: airline industry.

Current external appointments: Chairman of the Ireland State Debt Agency.

Previous relevant experience: Chief Executive Officer, British Airways 2005-2011. Chief Executive Officer, Aer Lingus 2001-2005. Chief Operating Officer, Aer Lingus 2000-2001. Chief Executive Officer, Futura (Aer Lingus’ Spanish Charter airline) 1998-2000. Joined Aer Lingus as cadet pilot in 1979.

- Date of first and of most recent appointment as a director of the Company:

Mr. William Walsh was appointed as executive director for the first time on May 25, 2010 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Mr. William Walsh owns 730,198 Company shares. In addition, he has interests in shares as a result of share awards (conditional awards) made pursuant to the Company share schemes as detailed below:

<i>Plan</i>	<i>Date of award</i>	<i>Vesting date</i>	<i>Shares within award</i>
IADP 2012	August 3, 2012	August 3, 2015 No performance conditions	93,773
PSP 2012	August 3, 2012	August 3, 2015 The performance condition was tested at the end of the 3-year performance period and 85.3% of the award will vest as shown in the next column	874,191
PSP 2013	March 6, 2013	Subject to satisfaction of performance conditions tested over a 3-year period	684,647

IADP 2014	March 6, 2014	March 6, 2017 No performance conditions	149,353
PSP 2014	March 6, 2014	Subject to satisfaction of performance conditions tested over a 3-year period	379,310

- Category of director:

In accordance with the provisions of Article 529 duodecies 1 of the Companies Law, Mr. William Walsh shall have the category of executive director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Mr. William Walsh has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of executive director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Mr. William Walsh as a director of IAG, classified as executive director:

RESOLUTION 5.d)

“To re-elect Mr. William Matthew Walsh as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of executive director.”

d) TO RE-ELECT MR. CÉSAR ALIERTA IZUEL AS A DIRECTOR, CLASSIFIED AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

- Professional profile and biographical data of Mr. César Alierta Izuel:

Key areas of prior experience: finance, telecommunications, consumer.

Current external appointments: Executive Chairman, Telefónica Group. Non-Executive Director, China Unicom. Member, Columbia Business School Board of Overseers. Chairman, Social Board of the Spanish UNED.

Previous relevant experience: Non-Executive Director, Telefónica 1997- 2000. Executive Chairman, Altadis Group 1996-2000. Member of the Board, Telecom Italia 2007-2013. Member of the Board, Madrid Stock Exchange 1991-1996.

Chairman, Spanish Financial Analysts' Association 1991-1996. Chairman and founder, Beta Capital 1985-1996.

- Date of first and of most recent appointment as a director of the Company:

Mr. César Alierta Izuel was appointed as non-executive independent director for the first time on September 27, 2010 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Mr. César Alierta Izuel owns 1,000,000 Company shares.

- Category of director:

Mr. César Alierta Izuel has been proposed in light of his personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that he can discharge his office without being conditioned by relations with the Company or its group, its significant shareholders or its executives, for which reason he should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Mr. César Alierta Izuel has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of independent director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Mr. César Alierta Izuel as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.e)

“To re-elect Mr. César Alierta Izuel as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

e) **TO RE-ELECT MR. PATRICK CESCAU AS A DIRECTOR, CLASSIFIED AS NON-EXECUTIVE INDEPENDENT DIRECTOR.**

- Professional profile and biographical data of Mr. Patrick Cescau:

Key areas of prior experience: consumer, finance, sales/marketing, corporate governance.

Current external appointments: Non-Executive Chairman, InterContinental Hotel Group. Trustee, LeverHulme Trust.

Previous relevant experience: Group Chief Executive, Unilever 2005-2008. Chairman, Unilever PLC. Deputy Chairman, Unilever NV. Finance Director and other executive positions (including a number of Unilever major operating companies and divisions in the USA, Indonesia and Portugal), having joined the Unilever Group in 1973. Senior Independent Director and Non-Executive Director, Pearson PLC 2002-2012. Director, INSEAD 2009-2013.

- Date of first and of most recent appointment as a director of the Company:

Mr. Patrick Cescau was appointed as non-executive independent director for the first time on September 27, 2010 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Mr. Patrick Cescau has no shares in the Company.

- Category of director:

Mr. Patrick Cescau has been proposed in light of his personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that he can discharge his office without being conditioned by relations with the Company or its group, its significant shareholders or its executives, for which reason he should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Mr. Patrick Cescau has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of independent director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-

election of Mr. Patrick Cescau as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.f)

“To re-elect Mr. Patrick Jean Pierre Cescau as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

f) TO RE-ELECT MR. ENRIQUE DUPUY DE LÔME AS A DIRECTOR, CLASSIFIED AS EXECUTIVE DIRECTOR.

- Professional profile and biographical data of Mr. Enrique Dupuy de Lôme:

Key areas of prior experience: finance, airline industry.

Current external appointments: Chairman, Iberia Cards.

Previous relevant experience: Chief Financial Officer, Iberia 1990-2011. Head of finance and deputy director of financial resources, Instituto Nacional de Industria (INI) and Teneo financial group, 1985-1989. Head of subsidiaries at Enadimsa (INI Group), 1982-1985, Chairman IATA finance committee.

- Date of first and of most recent appointment as a director of the Company:

Mr. Enrique Dupuy de Lôme was appointed as executive director for the first time on September 26, 2013 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Mr. Enrique Dupuy de Lôme owns 113,637 Company shares. In addition, he has interests in shares as a result of share awards (conditional awards) made pursuant to the Company share schemes as detailed below:

<i>Plan</i>	<i>Date of award</i>	<i>Vesting date</i>	<i>Shares within award</i>
IADP 2012	August 3, 2012	August 3, 2015 No performance conditions	37,267
PSP 2012	August 3, 2012	August 3, 2015 The performance condition was tested at the end of the 3-year performance period and 85.3% of the award will vest as shown in the next column	317,887
IADP 2013	March 6, 2012	March 6, 2016 No performance conditions	62,241

PSP 2013	March 6, 2013	Subject to satisfaction of performance conditions tested over a 3-year period	248,963
IADP 2014	March 6, 2014	March 6, 2017 No performance conditions	50,862
PSP 2014	March 6, 2014	Subject to satisfaction of performance conditions tested over a 3-year period	137,931

- Category of director:

In accordance with the provisions of Article 529 duodecies 1 of the Companies Law, Mr. Enrique Dupuy de Lôme shall have the category of executive director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Mr. Enrique Dupuy de Lôme has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of executive director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Mr. Enrique Dupuy de Lôme as a director of IAG, classified as executive director:

RESOLUTION 5.g)

“To re-elect Mr. Enrique Dupuy de Lôme Chávarri as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of executive director.”

g) TO RE-ELECT BARONESS KINGSMILL AS A DIRECTOR, CLASSIFIED AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

- Professional profile and biographical data of Baroness Kingsmill:

Key areas of prior experience: government, legal and regulatory affairs.

Current external appointments: Non-Executive Director, EON Supervisory Board. Vice Chair and Senior Independent Director, and Chairman of Nominations and Ethics Committees, APR Energy. Non-Executive Director, Telecom Italia. Member of the International Advisory Board, IESE Business School. Member of the UK House of Lords since 2006.

Previous relevant experience: Non-Executive Director, British Airways 2004-2010. Deputy Chairman, Competition Commission 1997-2003. Chairman, Department of Trade and Industry's Accounting for People task force 2003.

- Date of first and of most recent appointment as a director of the Company:

Baroness Kingsmill was appointed as non-executive independent director for the first time on September 27, 2010 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Baroness Kingsmill owns 2,000 Company shares.

- Category of director:

Baroness Kingsmill has been proposed in light of her personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that she can discharge her office without being conditioned by relations with the Company or its group, its significant shareholders or its executives, for which reason she should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Baroness Kingsmill has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of independent director, and that it is in the best interests of the Company that she be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Baroness Kingsmill as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.h)

“To re-elect Baroness Denise Patricia Kingsmill as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

h) TO RE-ELECT MR. JAMES LAWRENCE AS A DIRECTOR, CLASSIFIED AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

- Professional profile and biographical data of Mr. James Lawrence:

Key areas of prior experience: finance, consumer, corporate governance.

Current external appointments: Chairman, Rothschild North America.

Previous relevant experience: Non-Executive Director, British Airways 2006-2010. CEO, Rothschild North America and Co-Head of Global Investment Banking 2010-2012. Executive Director and Chief Financial Officer, Unilever 2007-2010. Vice Chairman, Chief Financial Officer and Head of International, General Mills 1998-2007. Executive Vice President and Chief Financial Officer, Northwest Airlines 1996-1998. Executive Vice President and other executive positions, Pepsi-Cola 1992-1996. Chairman and Co-Founder, LEK Consulting 1983-1992. Partner, Bain & Company 1977-1983.

- Date of first and of most recent appointment as a director of the Company:

Mr. James Lawrence was appointed as non-executive independent director for the first time on September 27, 2010 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Mr. James Lawrence owns 216,500 Company shares.

- Category of director:

Mr. James Lawrence has been proposed in light of his personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that he can discharge his office without being conditioned by relations with the Company or its group, its significant shareholders or its executives, for which reason he should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Mr. James Lawrence has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of independent director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Mr. James Lawrence as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.i)

“To re-elect Mr. James Arthur Lawrence as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

i) TO RE-ELECT MS. MARÍA FERNANDA MEJÍA CAMPUZANO AS A DIRECTOR, CLASSIFIED AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

- Professional profile and biographical data of Ms. María Fernanda Mejía Campuzano:

Key areas of prior experience: consumer, customer development, strategic planning, supply chain, innovation and marketing communications.

Current external appointments: Senior Vice President and President of Kellogg Latin America, Corporate Officer and member of Kellogg's Global Leadership Team. Board Member of the Council of the Americas.

Previous relevant experience: Colgate-Palmolive Co.: Vice-President and General Manager Global Personal Care and Corporate Fragrance Development 2010-2011, Vice-President Marketing and Innovation Europe/South Pacific Division 2005-2010, President and CEO Spain and Spain Holding Company 2003-2005, General Manager Hong Kong and Director Greater China Management team 2002-2003, Marketing Director Venezuela 2000-2002, Marketing Director Ecuador 1998-2000.

- Date of first and of most recent appointment as a director of the Company:

Ms. María Fernanda Mejía Campuzano was appointed as non-executive independent director for the first time on February 27, 2014, by co-option, and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Ms. María Fernanda Mejía Campuzano owns 100 Company shares.

- Category of director:

Ms. María Fernanda Mejía Campuzano has been proposed in light of her personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that she can discharge her office without being conditioned by relations with the Company or its group, its significant shareholders or its executives, for which reason she should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Ms. María Fernanda Mejía Campuzano has the competence, experience and merits necessary to discharge the office of director of the Company, with the category

of independent director, and that it is in the best interests of the Company that she be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Ms. María Fernanda Mejía Campuzano as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.j)

“To re-elect Ms. María Fernanda Mejía Campuzano as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

j) TO RE-ELECT MR. KIERAN POYNTER AS A DIRECTOR, CLASSIFIED AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

- Professional profile and biographical data of Mr. Kieran Poynter:

Key areas of prior experience: professional services, finance services.

Current external appointments: Chairman, F&C Asset Management PLC. Chairman, Nomura International PLC. Non-Executive Director and Chairman of the Audit Committee, British American Tobacco.

Previous relevant experience: Member, Advisory Committee for the Chancellor of the Exchequer on the competitiveness of the UK financial services sector 2009-2010. Member, President's committee of the CBI 2000-2008. Chairman and Senior Partner, PricewaterhouseCoopers 2000-2008. Managing Partner, PricewaterhouseCoopers 1998-2000 and other executive positions at PricewaterhouseCoopers 1982-1998.

- Date of first and of most recent appointment as a director of the Company:

Mr. Kieran Poynter was appointed as non-executive independent director for the first time on September 27, 2010 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Mr. Kieran Poynter has no shares in the Company.

- Category of director:

Mr. Kieran Poynter has been proposed in light of his personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that he can discharge his office without being conditioned by relations

with the Company or its group, its significant shareholders or its executives, for which reason he should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Mr. Kieran Poynter has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of independent director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Mr. Kieran Poynter as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.k)

“To re-elect Mr. Kieran Charles Poynter as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

k) TO RE-ELECT DAME MARJORIE SCARDINO AS A DIRECTOR, CLASSIFIED AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

- Professional profile and biographical data of Dame Marjorie Scardino:

Key areas of prior experience: communications, digital and media, legal services.

Current external appointments: Non-Executive Director, Twitter, Inc. Member, charitable boards including The MacArthur Foundation, Oxfam Great Britain (Chairman), and The Carter Center. Member, Board of the Royal College of Art. Member, Advisory Council of the Massachusetts Institute of Technology Media Lab. Member, Board of Bridge Schools (Kenya).

Previous relevant experience: Chief Executive Officer, Pearson PLC 1997-2012. Chief Executive Officer, The Economist Group from 1993-1996. President, The Economist Group US 1985-1993. Lawyer practising in the US 1975-1985.

- Date of first and of most recent appointment as a director of the Company:

Dame Marjorie Scardino was appointed as non-executive independent director for the first time on December 12, 2013, by co-option, and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Dame Marjorie Scardino owns 100 Company shares.

- Category of director:

Dame Marjorie Scardino has been proposed in light of her personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that she can discharge her office without being conditioned by relations with the Company or its group, its significant shareholders or its executives, for which reason she should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Dame Marjorie Scardino has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of independent director, and that it is in the best interests of the Company that she be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Dame Marjorie Scardino as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.1)

“To re-elect Dame Marjorie Morris Scardino as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

D) TO RE-ELECT MR. ALBERTO TEROL ESTEBAN AS A DIRECTOR, CLASSIFIED AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

- Professional profile and biographical data of Mr. Alberto Terol Esteban:

Key areas of prior experience: finance, professional services, information technology, hospitality industry.

Current external appointments: Non-Executive Director and Chairman of the Audit Committee, Indra. Non-Executive Director and Chairman of the Audit Committee, OHL. Non-Executive Director and Chairman of the Audit Committee, AKTUA. Non-Executive Director and Chairman of the Audit Committee, N+1.

Previous relevant experience: Member, Global Executive Committee Deloitte 2007-2009. Managing Partner, EMEA Deloitte 2007-2009. Managing Partner, Global Tax & Legal Deloitte 2007-2009. Member, Global Management Committee Deloitte 2003-2007. Managing Partner, Latin America Deloitte 2003-2007. Managing Partner, Integration Andersen Deloitte 2002–2003, Managing Partner, Europe Arthur Andersen 2001-2002. Managing Partner, Global Tax & Legal Arthur Andersen 1997-2001. Managing Partner, Garrigues 1997-2000. International Senior Advisor BNP Paribas 2011-2014.

- Date of first and of most recent appointment as a director of the Company:

Mr. Alberto Terol Esteban was appointed as non-executive independent director on June 20, 2013 and was last re-elected on June 18, 2014.

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held by the director:

Mr. Alberto Terol Esteban has 9,200 Company shares.

- Category of director:

Mr. Alberto Terol Esteban has been proposed in light of his personal and professional traits, with the Nominations Committee and the Board of Directors itself having deemed that he can discharge his office without being conditioned by relations with the Company or its group, its significant shareholders or its executives, for which reason he should have the category of non-executive independent director.

- Proposed re-election:

In light of all of the above, the Board of Directors considers that Mr. Alberto Terol Esteban has the competence, experience and merits necessary to discharge the office of director of the Company, with the category of independent director, and that it is in the best interests of the Company that he be re-elected to such office for a further period of one year.

By virtue thereof, at the proposal of the Nominations Committee, the Board of Directors makes the following proposal to the Shareholders' Meeting for the re-election of Mr. Alberto Terol as a director of IAG, classified as non-executive independent director:

RESOLUTION 5.m)

“To re-elect Mr. Alberto Terol Esteban as a director for the bylaw mandated one-year term, upon proposal from the Nominations Committee, with the status of non-executive independent director.”

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Madrid, 29 April 2015.