

IAG ANNOUNCES STRATEGIC INVESTMENT IN WASTEFRONT – PIONEERS TURNING USED TYRES INTO SUSTAINABLE AVIATION FUEL

- *The airline group's investment will help fast-track the construction of Wastefront's first commercial plant in Sunderland, UK.*
- *Wastefront is investing over £100m in the Sunderland plant, which is set to become the UK's largest tyre-to-fuel facility, delivering a significant economic boost to the North-East with the potential for more than 100 local jobs created.*
- *Once fully operational the plant will turn up to 10 million used tyres into SAF every year.*

22 January 2025: IAG has invested in Wastefront, a leading tyre-to-fuel company, who plan to turn used tyres into [Sustainable Aviation Fuel](#) (SAF). The SAF will be made by converting waste tyres into tyre derived oil, which is then refined into road fuels and SAF. The SAF produced is expected to give life cycle carbon emission savings of over 80% versus fossil fuels.

This deal is another step forward for IAG in its commitment to SAF and enables Wastefront to begin construction on its fully circular tyre-to-fuel facility in the Port of Sunderland.

The plant will begin operations in 2026 and once fully operational the following year, will process up to 10 million waste tyres annually. The UK currently generates around 50 million end-of-life tyres each year, with most of them currently exported to countries such as India where they are incinerated in cement plants or disposed of in landfills.

Facilities like Wastefront's planned Sunderland plant are critical to meeting the UK's SAF mandate, which came into effect on 1 January 2025, requiring at least 10% of all jet fuel used in flights departing the UK to come from sustainable feedstocks by 2030, rising to 22% by 2040.

Achieving the UK's 2030 SAF target will require producing 1.2 million tonnes of SAF annually for the aviation industry - almost 20 times the UK's estimated production of 64,000 tonnes in 2023, according to the International Air Transport Association (IATA).

Jonathon Counsell, IAG's Group Sustainability Officer, said: "We're proud to support innovators like Wastefront, who are finding new forms of feedstocks to produce advanced fuels. However, as global demand for Sustainable Aviation Fuel (SAF) grows, it's crucial to expand production in the UK. The recent Government mandate will help reduce aviation's overall carbon impact, but airlines need confidence that the planned revenue certainty mechanism will support UK businesses in developing SAF technology without further increasing the cost base for UK airlines."

Vianney Valès, CEO of Wastefront, said: "At Wastefront, our mission is to turn a problematic waste stream into a highly valuable resource. We can create SAF at an extremely competitive cost with a very low environmental footprint - capable of reducing carbon emissions in the production process by up to 80%

compared to traditional jet fuels. This investment is a testament to the potential of Wastefront's technology in tackling waste and air pollution."

IAG's investment is part of its broader strategy to reduce carbon emissions in its operations, across its airlines Aer Lingus, British Airways, Iberia, Vueling and LEVEL. The Group has already secured more than a third of its 2030 SAF target and was the first European airline group to pledge 10% SAF usage by 2030.

Wastefront already has a 10-year agreement in place with Gateway Resources, the largest exporter of End-of-Life Tyres (ELTs) in the UK, for the feedstock supply of ELTs at its flagship plant in Sunderland. In its initial phases, the plant will co-process TDO into SAF in third-party refineries before transitioning to fully dedicated SAF production facilities. The plant will be built in phases, starting with one module producing 8,000 tonnes of oil annually and eventually expanding to four modules with a total capacity of 32,000 tonnes per year. By 2030, Wastefront plans to operate four large-scale plants, collectively producing 128,000 tonnes of oil annually. This will feed into a centralised SAF facility capable of converting 70% of this oil into SAF, yielding approximately 90,000 tonnes of SAF per year.

-ENDS-

NOTES TO EDITORS:

About Sustainable Aviation Fuel (SAF)

Sustainable Aviation Fuel (SAF) is chemically almost identical to kerosene. SAF is certified to international standards to ensure it is safe to use in existing aircraft and airports. The feedstocks for these fuels – currently waste materials such as used cooking oil, municipal waste or waste wood – reduces lifecycle greenhouse gas emissions. Sustainable Aviation Fuels ('SAF') are defined in the [Refuel EU Aviation Regulation](#) as aviation fuels that are either synthetic aviation fuels, aviation biofuels or recycled carbon aviation fuels.

SAF produces similar levels of carbon dioxide to conventional aviation fuels when burned, but the carbon dioxide generated is already part of the carbon cycle and is not extracted from the ground specifically for creating aviation fuel. This means that using SAF results in a reduction in overall carbon emissions compared to the traditional jet fuel it replaces over the lifecycle of the fuel. A major challenge is that SAF availability remains low globally, and today accounts for just over 1% of our total fuel.

About International Airlines Group (IAG)

International Airlines Group (IAG) is one of the world's largest airline groups with 582 aircraft, directly connecting Europe to 250+ destinations in 91 countries and carrying 115+ million passengers per year. Its leading airlines in Spain, the UK and Ireland include Aer Lingus, British Airways, Iberia, Vueling and LEVEL. The Group also consists of two additional businesses: IAG Cargo and IAG Loyalty. PwC found that IAG supports more than 600,000 jobs in the region directly and indirectly and through the spending of travellers, contributing nearly €70 billion of GDP to the EU and UK.

About Wastefront

Founded in Oslo in 2019 by Inge Berge, Christian A. Hvamstad, Vegard Bringsjord and Jon Gausen, Wastefront is a Tyre-to-Fuel business that is on a pathway to convert End-of-Life-Tyres into ultra low-cost Sustainable Aviation Fuels and Sustainable Chemicals such as recovered Carbon Black (rCB). Its solution, the 'Wastefront Blueprint', is a circular process through which Wastefront has taken a wasteful industry practice and generated a series of sustainable outcomes which extract value throughout. Its first phase of the full-scale plant at the Port of Sunderland will be fully operational in 2027 and have an annual capacity to process 10 million waste tyres.

Wastefront has created a first-of-its-kind complete supply chain for this, by striking a series of deals to rapidly bring these products to market. The company has offtake agreements in place with Vitol and Weber & Schaer, partnerships with Devaltec and Technip Energies, strategic partnerships with University of Newcastle and ENSO, support from the Sunderland City Council, and feedstock supply through a 10-year agreement with Gateway Resources, the largest exporter of End-of-Life Tyres in the UK.

The company is backed by marquee investors such as Vitol, Norwegian state-owned company and national development bank, Innovation Norway, and received support from Skattefunn (Research Council of Norway).