

Our business plan – BP10

Bring Terminal 5 alive

Terminal 5 represents our single biggest change and challenge within BP10. In year one of the plan our 'Fit for 5' programme was set to be completed, securing the necessary agreement changes and the implementation of greatly

improved working practices across the terminals at Heathrow. A successful delivery of Terminal 5 continues to be the key to improving our operational performance and enhancing the customer experience at our Heathrow base.

BA Basics and Brilliance

To justify the premium we charge our customers we need to deliver the 'BA Basics' consistently and offer 'Brilliance' in areas where it really counts. BP10 introduced an immediate focus on punctuality and baggage performance, with further plans to improve 'BA Basics' in a number of other areas for

the long term. To set ourselves apart from our competitors, we particularly focused on offering 'Brilliance' to our customers in several key areas including our network and schedule from London, ba.com, customer service, our premium customer experience and Terminal 5.

Competitive cost base

Controlling our costs remains a priority throughout BP10, with savings expected across a number of areas of the business. But BP10 particularly recognised the need to resolve

our pensions problem and reduce our significant deficit position. Achieving a competitive cost base is critical if we are to achieve our investment and growth plans.

Invest in growth

Subject to satisfactory resolution of the pensions deficit, BP10 included plans to launch a competition for new longhaul aircraft in the first year of the plan. We wanted to secure the first of these aircraft in 2009 to meet specific growth plans, while the second batch would be used to begin replacing our

fleet from 2011. We recognised the strategic importance of our Gatwick and London City airport operations in BP10. The retention of BA Connect's London City operations, as part of the sale of our regional business to Flybe, was key to our network development plans from this airport.

BP10 enablers

Continued involvement and engagement of our people is critical to the implementation of BP10. Local face-to-face communication was recognised to be the most effective type of engagement, and it formed a key part of our broader communications strategy. IT remained the second key enabler

for change across the business. Our investment plans in this area included Terminal 5, continued improvements in the usability and functionality of ba.com, using Employee Self Service to simplify and automate corporate processes and supporting a wide range of departmental change programmes.

During the course of the year we drew up a new three-year business plan that builds on the priorities and themes of BP10. The new plan, BP11, will take us through to the end of 2010/11. We describe the new plan in more detail on pages 34 and 35 of this report.