

BRITISH AIRWAYS STANDING INSTRUCTION No. 6 - Staff Concerns Policy

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Introduction

British Airways is firmly committed to maintaining the highest standards of ethics, honesty, openness and accountability. All employees have an important role to play in achieving this goal.

This policy aims to provide employees with the means to raise genuine concerns and feel confident that appropriate action will be taken, knowing that they will be protected from reprisals or victimisation for speaking out in good faith.

All matters dealt with through this policy (including any records produced) will be handled with the utmost discretion and will, as far as practicable, be kept confidential to those involved in the investigation, (including those whose account of events must be taken to pursue it), and in any follow up action which is taken.

Concerns expressed on an anonymous basis will be considered and investigated where they give rise to a reasonable basis for investigation (although anonymous concerns will inevitably be more difficult to investigate).

Scope

This policy applies to all businesses within the British Airways Group. However outside the UK and the US, local rules and policies may apply. The statutory requirements relevant to this policy are the protected disclosure provisions of the UK Employment Rights Act 1996 and the US Sarbanes-Oxley Act 2002. These Acts protect employees from victimisation or discrimination where they disclose or report wrongdoing in the organisation in good faith.

This policy is not a substitute for the Grievance Policy (EG903) or the Dignity at Work Policies (EG101 & EG102) which will be followed if appropriate. The BASI 4 procedure should be followed to report safety incidents.

Examples of specific concerns that this policy covers include:

- Material breach of Company policy, regulation or instruction;
- Financial irregularities/malpractice – such as fraud;
- Criminal offences or criminal activity;
- Failure to comply with legal obligations;
- Health and Safety concerns; and
- Environmental concerns.

Issues relating to failure to respect others, such as discrimination, harassment, bullying and intimidation (although see the comments above in relation to the interaction of this policy with the Grievance Policy and the Dignity at Work Policies).

Procedure

Employees who raise issues under this policy should be prepared to explain their grounds for concern to the person contacted. By way of general guidance, an employee raising a concern should:

Disclose the information in good faith;
Believe it to be substantially true;
Not act maliciously or make false allegations; and
Not seek personal gain by raising the issue.

Employees who are concerned about any form of malpractice, improper action or wrongdoing within the scope of this policy are strongly encouraged to raise the matter in accordance with the procedures set out below:

1. Internal Line Management

Where an employee feels able to, he or she should raise the concern with their line manager. Concerns can be raised orally, but it is good practice for the concern to be recorded in writing at an early stage to ensure that all the details are correctly understood. The line manager will firstly consider following existing Employment Guides EG101, EG102, EG903 or Standing Instruction BASI 4. When these are not appropriate record details of the concern and determine if he/she is able to investigate any such concern directly. If not, the line manager will escalate the concern to the Company Secretary who will deal with the concern in accordance with paragraph 2 below. If the line manager does investigate the concern, he or she should report the matter in writing to the Company Secretary at its inception, making regular progress reports and promptly on its conclusion.

2. Alternative Internal Contacts

If an employee feels that he/she cannot raise a concern with his or her line manager for whatever reason, they should contact the Company Secretary on + 44 20 8738 6877 or email alan.buchanan@ba.com. The Company Secretary will record the matter and determine the appropriate approach to managing the enquiry or investigation, which may include appointing an independent person to review the matter or to refer the matter to the appropriate internal or external body.

3. External Contacts and Anonymous Reporting

If an employee wishes to raise a concern anonymously, if the nature of the matter is such that an employee feels that he or she cannot raise it internally, or if the internal process has been followed but the employee still has concerns, he or she should contact the independent external agency which has been set up specifically to deal with such concerns. The external agency will record the concern and refer it to the Company Secretary and The Head of Safety and Security who will determine the appropriate course of action.

The external agency is Safecall and they can be contacted 24/7 on 0870 2410762. A formal process has been agreed with them whereby they will pass all such information, via encrypted e-mail, to a dedicated BA e-mail address, which can only be accessed by the above-mentioned persons. On receipt of the information it will be assessed and the allegations will be investigated, where it is appropriate to do so.

Please note that it may be necessary in some circumstances to disclose the contents of the investigation to others, within or outside the Company, for example where this is the only way that follow up action can be taken. Depending on the nature of the matter, it may also be necessary to report the matter to third parties, such as the police or regulatory bodies.

The Company Response

The person or body responsible for investigating the concern will:

Acknowledge the receipt of the concern (unless expressed anonymously);

Indicate how the matter will be handled;

Endeavour to give an estimate of how long it will take to provide a response; and

Provide appropriate feedback to the employee as soon as reasonably practicable.

Monitoring and Compliance

Records will be kept on matters raised and reported through this policy. These records will be handled with the utmost discretion and will, as far as practicable, be kept confidential to those involved in the investigation and any follow-up action. The British Airways Audit Committee will regularly receive reports on matters connected with this policy along with an assessment of the effectiveness of the policy in practice.

This policy and procedure is intended only as a statement of the Company's policy and management guidelines, and does not form part of employees' contracts of employment or otherwise have contractual effect.

Willie Walsh
Chief Executive Officer
1 June, 2006