

BRITISH AIRWAYS STANDING INSTRUCTIONS

No. 18 - Code of Business Conduct and Ethics

Issue: 1

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This Code of Business Conduct and Ethics applies to all employees, officers and directors of British Airways Plc and its subsidiary companies (and the term employees is used throughout to include all such employees, officers and directors within the Group). It is a British Airways Standing Instruction breach of which will be disciplined in accordance with EG901.

Conflicts of Interest

A "conflict of interest" occurs when an individual's private interest interferes or appears to interfere with the interests of the Company. As a matter of Company policy, employees must not leave conflicts of interest unresolved unless approved by the Company. In particular, employees must never use or attempt to use their position at the Company to obtain any improper personal benefit for themselves, for their families, or for any other person. Any employee who is aware of a conflict of interest or is concerned that a conflict might develop, is required to discuss the matter with the Company Secretary promptly.

Misuse of Opportunities and Information

Employees owe a duty to the Company to advance the Company's business interests when appropriate. Employees are prohibited from taking (or directing to a third party) a business opportunity that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and turned it down. More generally, employees are prohibited from using corporate property, information or position for personal gain and from competing with the Company. Sometimes the line between personal and Company benefits is difficult to draw, and sometimes there are both personal and Company benefits in certain activities. The only prudent course of conduct for our employees is to make sure that any use of Company property or services that is not solely for the benefit of the Company has been approved in advance by an authorised representative on behalf of the Company.

Confidentiality

In carrying out the Company's business, employees often learn confidential or proprietary information about the Company, its customers, suppliers, or joint venture parties. Employees must maintain the confidentiality of all information so entrusted to them, except when disclosure is authorised or legally mandated. Confidential or proprietary information of our Company, and of other companies, includes any non-public information that would be harmful to the relevant company or useful or helpful to competitors if disclosed.

Fair Dealing

We do not seek competitive advantages through illegal or unethical business practices. Each employee should endeavour to deal fairly with the Company's customers, service providers, suppliers, competitors and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of

privileged information, misrepresentation of material facts, or any unfair dealing practice.

Protection and Proper Use of Company Assets

All employees should protect the Company's assets and ensure their efficient use. All Company assets should be used only for legitimate business purposes.

Compliance with Laws, Rules and Regulations

It is the Company's policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each employee to adhere to the standards and restrictions imposed by those laws, rules and regulations.

Securities Laws and Insider Dealing. Generally, it is both illegal and against Company policy for any individual to profit from undisclosed information relating to the Company or any other company. It is against Company policy for any employee, officer or director, who may have inside or unpublished knowledge about any of our customers or any other company, to purchase or sell the securities of those companies. The Company has a clear and detailed policy on these issues set out in British Airways Standing Instruction 12. If you are uncertain about the legal rules involving any dealing in any of the Company securities or any securities in companies that you are familiar with by virtue of your work for the Company, you should consult with the Company Secretary before making any such purchase or sale.

Compliance Standards

The Company Secretary is responsible for applying these policies to specific situations in which questions may arise and has the authority to interpret these policies in any particular situation. Any questions relating to how these policies should be interpreted or applied should be addressed to the Company Secretary. An employee who is unsure of whether a situation violates this Code should discuss the situation with the Company Secretary to prevent possible misunderstandings and embarrassment at a later date.

Any employee who becomes aware of any existing or potential violation of laws, rules, regulations or this Code is required to notify the matter in accordance with the procedure set out in British Airways Standing Instruction No. 2. Failure to do so is itself a violation of this Code. To encourage reporting of violations, no employee will be subject to any detriment for raising a genuine concern in good faith.

Waivers of this Code

From time to time, the Company may waive some provisions of this Code. Any employee, officer or director who believes that a waiver may be called for should contact the Company Secretary. Under the rules of the New York Stock Exchange, any waiver of the Code for executive officers or directors of the Company may be made only by the Board of Directors or a committee of the Board, and must promptly be disclosed to shareholders.