

BRITISH AIRWAYS STANDING INSTRUCTIONS
No. 17 - BUSINESS INTEGRITY - BRIBERY, EXTORTION & CORRUPTION

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Introduction

British Airways and its employees are bound by values of integrity and responsibility. The Code of Business Conduct states '*we do not tolerate bribery and corruption*' (BASI 6). Increasingly, external stakeholders such as ethical investors, our customers and our employees also demand that we conduct our business to the highest ethical standards.

Standard

It is always unacceptable to promise, offer or accept bribes or other improper payments and favours which can include, for example gifts, entertainment, travel, and upgrades. Improper payments or gifts promised or offered constitute bribery and corruption:

- if it is illegal
- if it creates an obligation or perception of obligation for either party
- if it cannot be transacted transparently
- if it is unreasonable in terms of value and/or frequency
- if the intention of the payment or favour is to obtain or retain undue personal or business advantage; to encourage others to refrain from acting in relation to performance of their duties; to willingly refrain from performing our own duties
- if exposure is likely to cause embarrassment to the individual concerned or to British Airways

Accordingly:

Bribery & Corruption

1. We will not promise, offer or accept improper payments to, through or from any business stakeholder. We will not seek to influence other parties to offer or accept improper payments whether on our behalf or otherwise. This includes but is not restricted to customers, agents, suppliers, contractors, franchisees, joint venture partners, subsidiaries, labour unions, government or regulatory authority officials.
2. We will not offer philanthropic donations, community investment or political contributions to try to obtain or retain undue personal or business advantage or to refrain or encourage others to refrain from acting in relation to the performance of his or her duty. All charitable donations and community investment shall be made in accordance with BASI 16.

Gifts & Entertainment

1. We will not promise, accept or offer any business stakeholder gifts or favours of more than nominal value in open market conditions. The following limits apply:
 - We will not offer or accept gifts or entertainment of value greater than £100 for tangible goods and greater than £200 for intangible goods such as travel and entertainment.

- Tangible gifts received of value greater than £50 and less than £100 may be accepted but must not be retained for personal consumption. These goods shall be donated by British Airways to an approved charity.
- Gifts received of value less than £50 may be retained for personal consumption.

All goods given or received must be properly accounted for by local line management and shall be subject to audit. The values set out above may be varied by a Leadership Team Director as part of a tailored departmental policy more appropriate to the relevant department or to a specific country in question. All such local policies must be clearly documented and filed with the Company Secretary.

Extortion

1. We will actively resist extortion and all other demands for improper payments made under duress. In exceptional circumstances if minor payments must be made in order to secure short term personal safety and/or immediate business continuity, such payments must be accounted for by local senior management and subject to audit. All such payments must be reported to the Company Secretary for further investigation.

Conflict of Interest

1. Those who work for or on behalf of British Airways may not privately use or offer to others access to or use of company resources including assets, funds or intellectual property without advance authorisation from their line manager.
2. Those who work for or on or behalf of British Airways must declare to the Company Secretary any personal conflict of interest. It is deemed to be a conflict of interest where (i) an individual's duties involve transactions with another undertaking and (ii) the individual has an interest, financial or otherwise in the undertaking concerned (with the exception of shareholdings worth less than £20,000 in a publicly listed company).
3. Employees shall not take advantage of their influence as a representative of BA in order to accept favourable terms and conditions including discounts and other incentives, for personal transactions with an outside entity if he/she (i) is currently involved in transacting on behalf of BA with this entity, (ii) has been involved in transactions on behalf of BA in the past or (iii) is likely to transact on behalf of BA in the future.

Implementation

1. Those who work for or on behalf of British Airways will not be penalised in any way for business advantage lost due to adherence to this policy.
2. Any actual or perceived threat or security risk to British Airways or its employees as a result of a refusal to engage in bribery, corruption or extortion or to make inappropriate payments must be immediately reported to the Director of Safety, Security and Environment.

3. Local management are responsible for implementation of this policy including regular training and monitoring.
4. Breach of this policy may lead to disciplinary action for British Airways employees. For others, a breach of this policy may lead to termination of the relationship with British Airways.
5. The Leadership Team will review this policy and monitor performance and compliance to this policy at least annually.

Rod Eddington
Chief Executive Officer