

BRITISH AIRWAYS





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NTSB Codeshare Symposium
Partner Oversight at British
Airways

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Agenda

- Background
- Different relationships & perspectives
- British Airways corporate governance
- Oversight processes
- Assessment criteria
- Summary

British Airways - Background

- Mainline fleet of over 230 aircraft
- Approx 41,000 staff
- Two subsidiary airlines (BA CityFlyer, OpenSkies)
- Main hub: London Heathrow
- Over 160 destinations



BA - Destinations on all continents



oneworld - Background

- Total fleet of over 2,400 aircraft
- Approx 314,000 staff
- 11 member airlines plus 3 members planned to join
- Over 20 oneworld affiliate airlines
- Over 870 destinations



Types of Partner Relationships

- Subsidiary (Airline)
 - Majority owned
- Franchise
- **oneworld** (codeshare)
- Codeshare (non **oneworld**)
- Long Term Wet Lease
 - EASA operator
 - Non-EASA operator



Customer Perspectives

- Subsidiary & Franchise
 - Sold as BA
 - BA livery (or variant)
 - BA customer service
- Codeshare (**oneworld** and other)
 - Positively identified as ‘operated by’
 - Operator livery
 - Operator customer service
- Long Team Wet Lease (EASA and non-EASA)
 - Sold as BA, shown as ‘operated by’
 - Operator livery
 - Operator customer service (mainly)



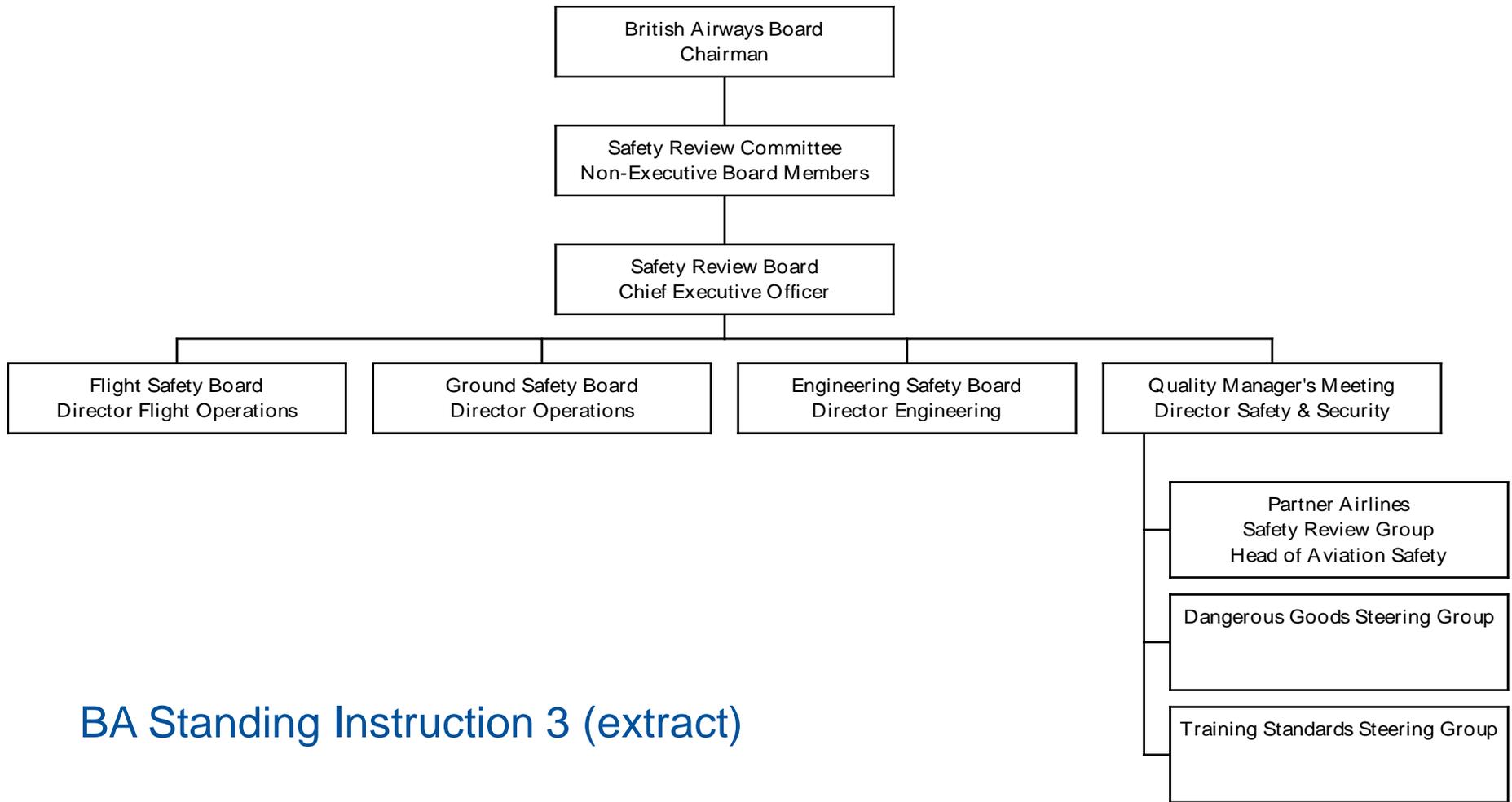
Corporate Governance

British Airways Standing Instruction 3

Wherever an operating entity exists or is created which may carry a safety or security liability for British Airways and its standards are, or may be, different from those of British Airways mainline, that entity should be appraised at the Quality Manager's Meeting (QMM) chaired by the EU-OPS Quality Manager. This requirement extends to all British Airways subsidiaries, franchises, code shares and wet leases and to all airline-operating companies where British Airways holds a significant shareholding.

(Extract)

Corporate Governance II



BA Standing Instruction 3 (extract)

Oversight Process

1. Exploratory & Formal Approval Stage
 - i. Safety Record Check (background review)
 - ii. Review Safety Management Manual or completed Operational Safety Review Document
 - Followed by review meeting with operator
 - iii. On site audit
 2. Continuation Phase
 - iv. Attend safety board meetings
 - or
 - iv. Annual safety review meeting
 - With operator
 - v. On site audit
- Note: Only steps i) & ii) applied to all relationships.

Key Differences

1. IOSA

- Operators on the IOSA registry have any on site audit requirements reviewed
 - May extend the interval or negate the need for audit entirely
- Full **oneworld** members are required to have IOSA

2. oneWorld

- A full evaluation is conducted by the sponsoring airline before membership can be approved
- Ongoing oversight is at the **oneworld** Safety Manager's Group meeting:
 - Reviews performance and future safety-related developments
 - Scheduled on nine-month frequency



Key Differences II

3. Codeshare (non- **oneworld**)

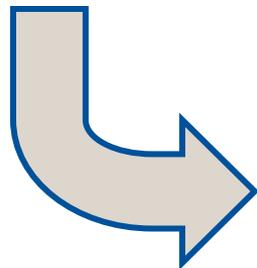
- An annual safety review is held with the operator
 - Details depend on the specific relationship and existing regulatory oversight

4. Wet Lease (Long Term)

- A safety review is conducted on EASA operators
- An on site audit would be required for non-EASA operators
 - This has become resource intensive and operationally impracticable
 - Operational needs now covered by chartering

Assessment Criteria

- Audit performance
- Incident reporting
- Safety board observations
- Management organisation
- Fleet stability
- Network changes



Overall assessment of
Safety Management System
performance

Summary

- British Airways & **oneworld** are committed to structured evaluation of all partner relationships
- Evaluation employs initial and ongoing assessment
- IOSA is utilised as the universal baseline set of standards
- Assessments and relationships are not designed to usurp the role of the regulator nor compromise the responsibilities of the AOC holder
- Assessment is centred on partner safety management system performance

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