



# Connecting people, businesses and countries

British Airways Investor Insight Day

26 November 2024

# Disclaimer

LEI: 959800TZHQRUSH1ESL13

## Forward-looking statements:

Certain statements included in this document and any related conference call or webcast (including any related Q&A session) are forward-looking. These statements can be identified by the fact that they do not relate only to historical or current facts. By their nature, they involve risk and uncertainties because they relate to events and depend on circumstances that will occur in the future. Actual results could differ materially from those expressed or implied by such forward-looking statements.

Forward-looking statements often use words such as “expects”, “may”, “will”, “could”, “should”, “intends”, “plans”, “predicts”, “envisages” or “anticipates” or other words of similar meaning. They include, without limitation, any and all projections relating to the results of operations and financial conditions of International Consolidated Airlines Group, S.A. and its subsidiary undertakings from time to time (the ‘Group’), as well as plans and objectives for future operations, expected future revenues, financing plans, expected expenditure, acquisitions and divestments relating to the Group and discussions of the Group’s business plans. All forward-looking statements in this document and any related conference call or webcast (including any related Q&A session) are based upon information known to the Group on that date and speak as of that date. Other than in accordance with its legal or regulatory obligations, the Group does not undertake to update or revise any forward-looking statement to reflect any changes in events, conditions or circumstances on which any such statement is based.

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# Introduction

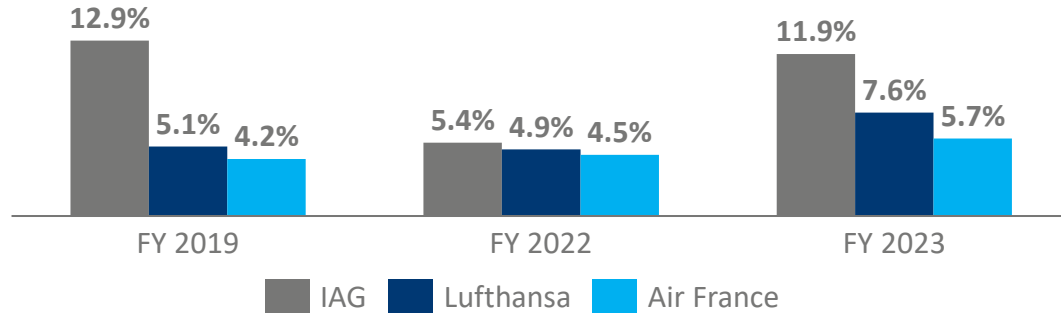
Luis Gallego  
Chief Executive Officer

# We have a well-established, successful strategy

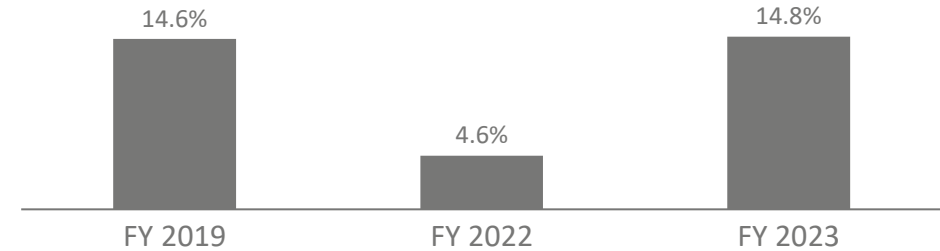


# Track record of world-class margins and returns at Group level

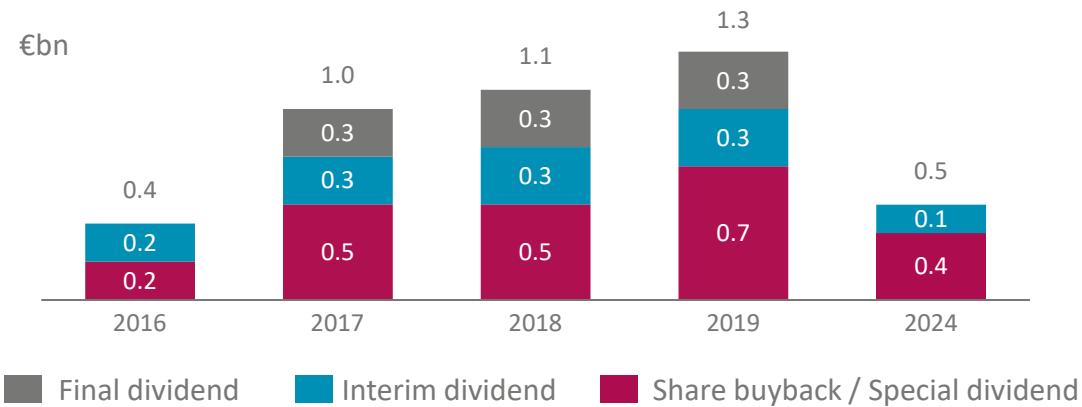
World-class operating margins\*



World-class RoIC\*

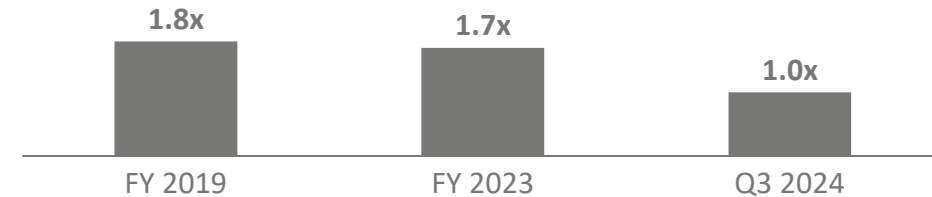


Attractive returns to shareholders



Strong balance sheet

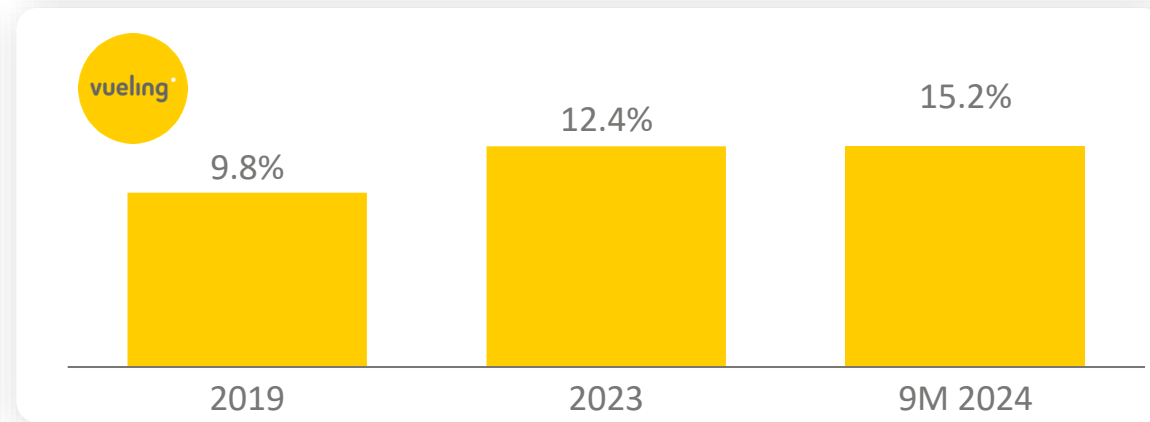
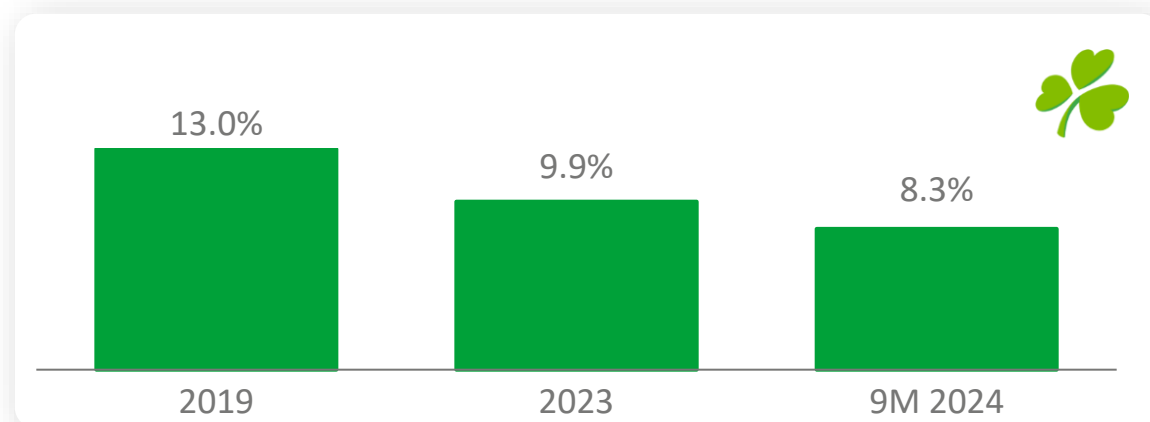
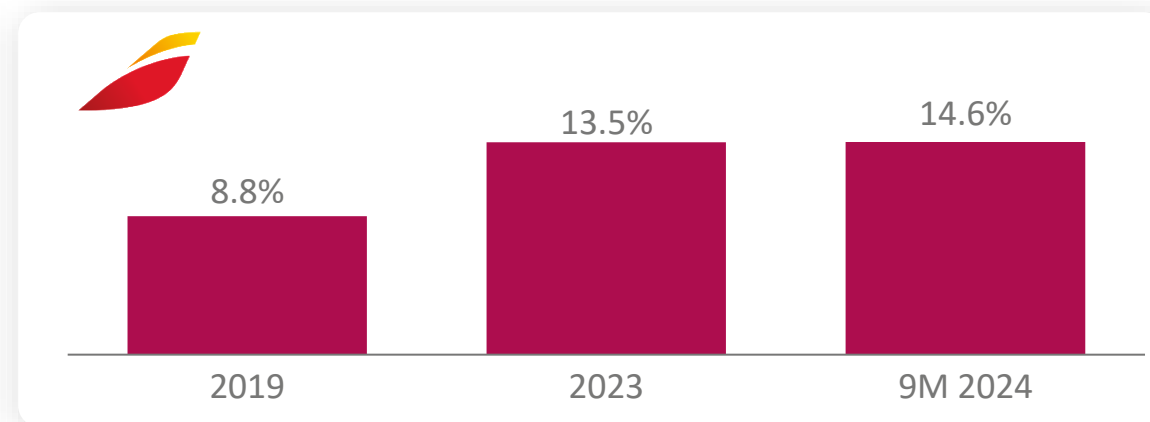
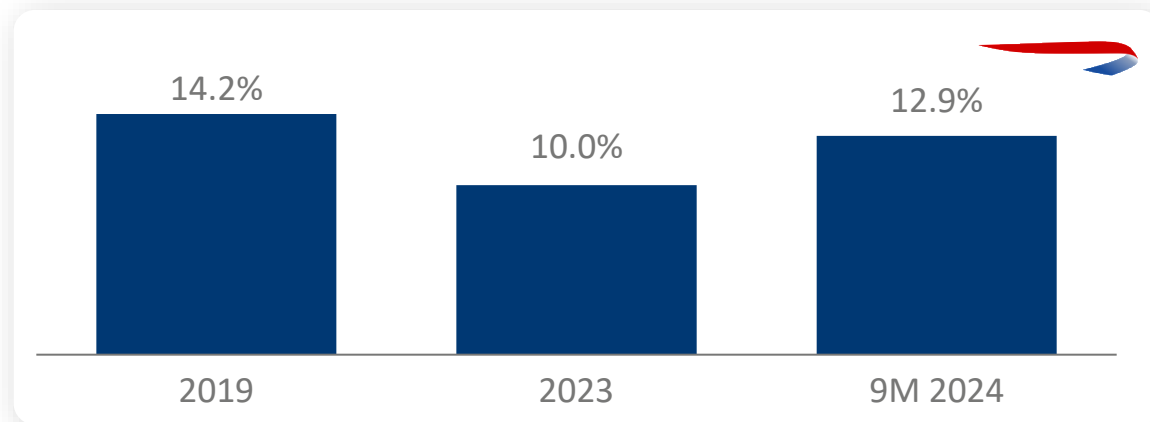
(Net debt / EBITDA)\*



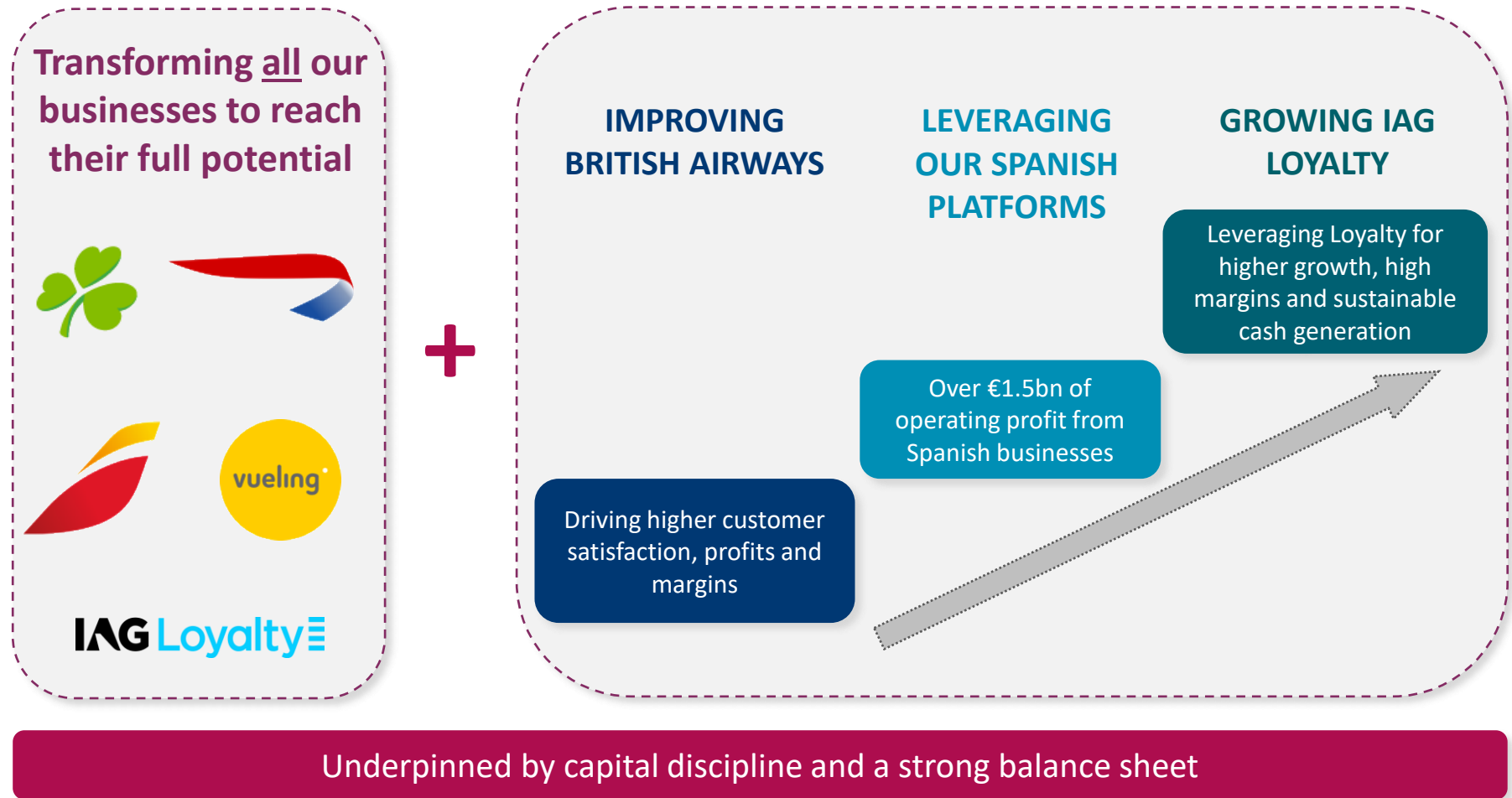
\*Figures are before exceptional items. 2019 results are restated for the treatment of administration cost associated with the Group's defined-benefit pension schemes

# ...as well as in our portfolio of airlines

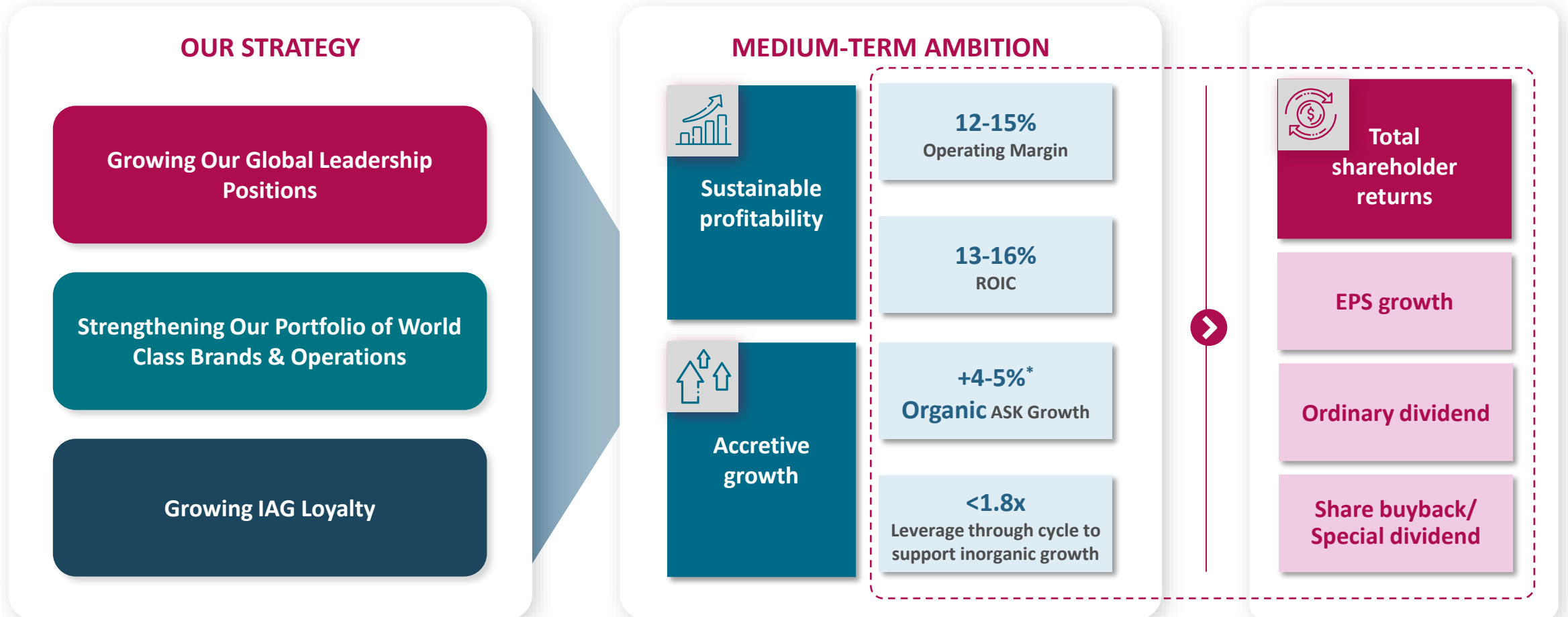
Full year lease-adjusted operating margin<sup>1</sup> (%) by IAG airline OpCo



# We have an established programme to transform our businesses



# On track to deliver world-class margins and returns







A BETTER BA

BRITISH AIRWAYS

INVESTOR INSIGHT DAY

26<sup>TH</sup> NOVEMBER 2024

# BRITISH AIRWAYS EXPO: OUR TEAMS WILL BE SHOWCASING OUR TRANSFORMATION TODAY



Vision & Strategy  
Network & Growth  
**Sean Doyle**  
Chairman & Chief Executive



Finance & Transformation  
**José Antonio Barrionuevo**  
Chief Financial & Transformation Officer



Customer Experience  
**Calum Laming**  
Chief Customer Officer



Commercial Transformation  
**Colm Lacy**  
Chief Commercial Officer



Operations  
**Louise Street**  
Director of Worldwide Airports



Engineering  
**Andy Best**  
Chief Technical Officer



People & Training  
**Lisa Tremble**  
Chief People, Corporate Affairs  
and Sustainability Officer



Sustainability  
**Carrie Harris**  
Director of Sustainability

- Business.
- Leisure.
- Sharing investor insights.

# PROGRAMME

0905-1000	<b>Vision &amp; Strategy</b>	Sean Doyle
	<b>Network &amp; Growth</b>	Sean Doyle
	<b>Finance &amp; Transformation</b>	José Antonio Barrionuevo
	<b>Q&amp;A</b>	Sean and José Antonio
1000-1130	<b>Waterside Expo</b>	Customer Experience Commercial Transformation Operations
1200-1300	<b>Engineering Base Expo</b>	Engineering People & Training
1300-1400	<b>Lunch</b> including Q&A at 1330 <b>Sustainability showcase</b>	
1400	<b>Simulator Experience</b>	



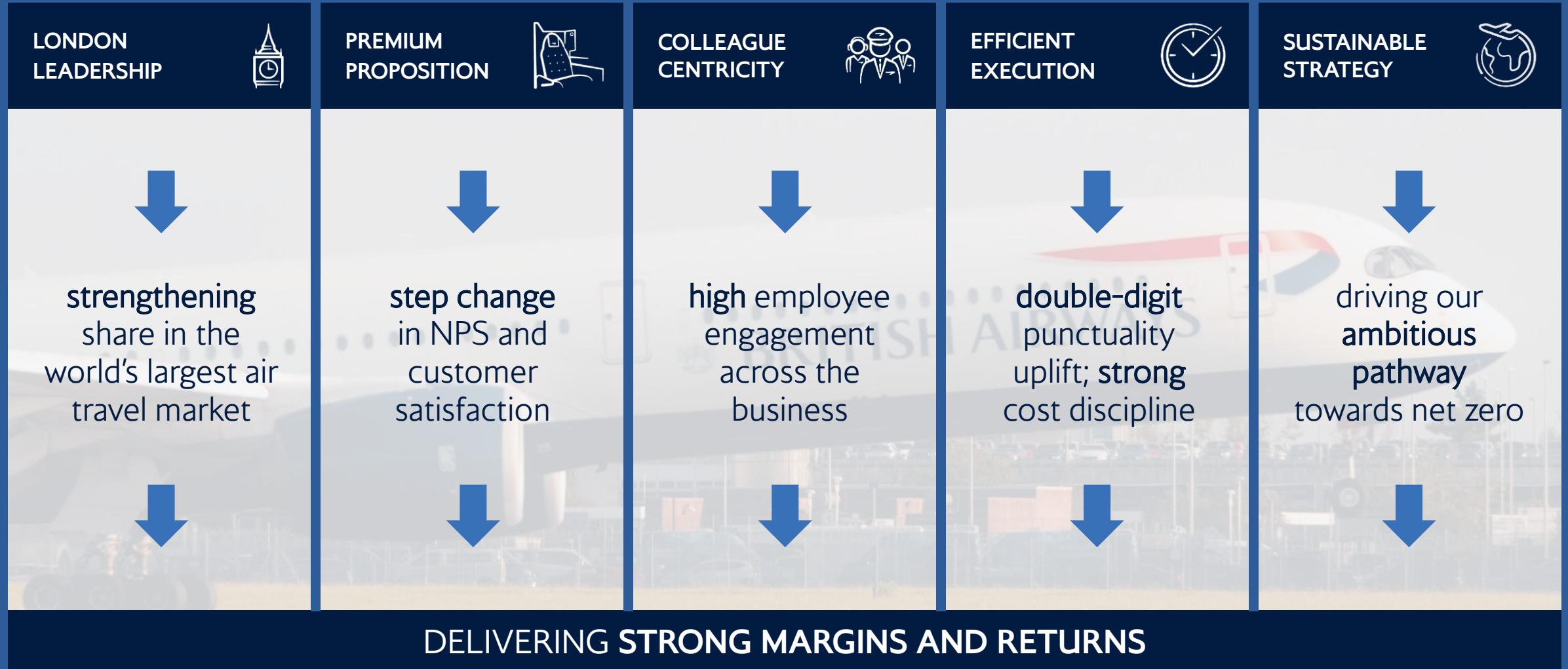
BRITISH AIRWAYS  
A BRITISH ORIGINAL



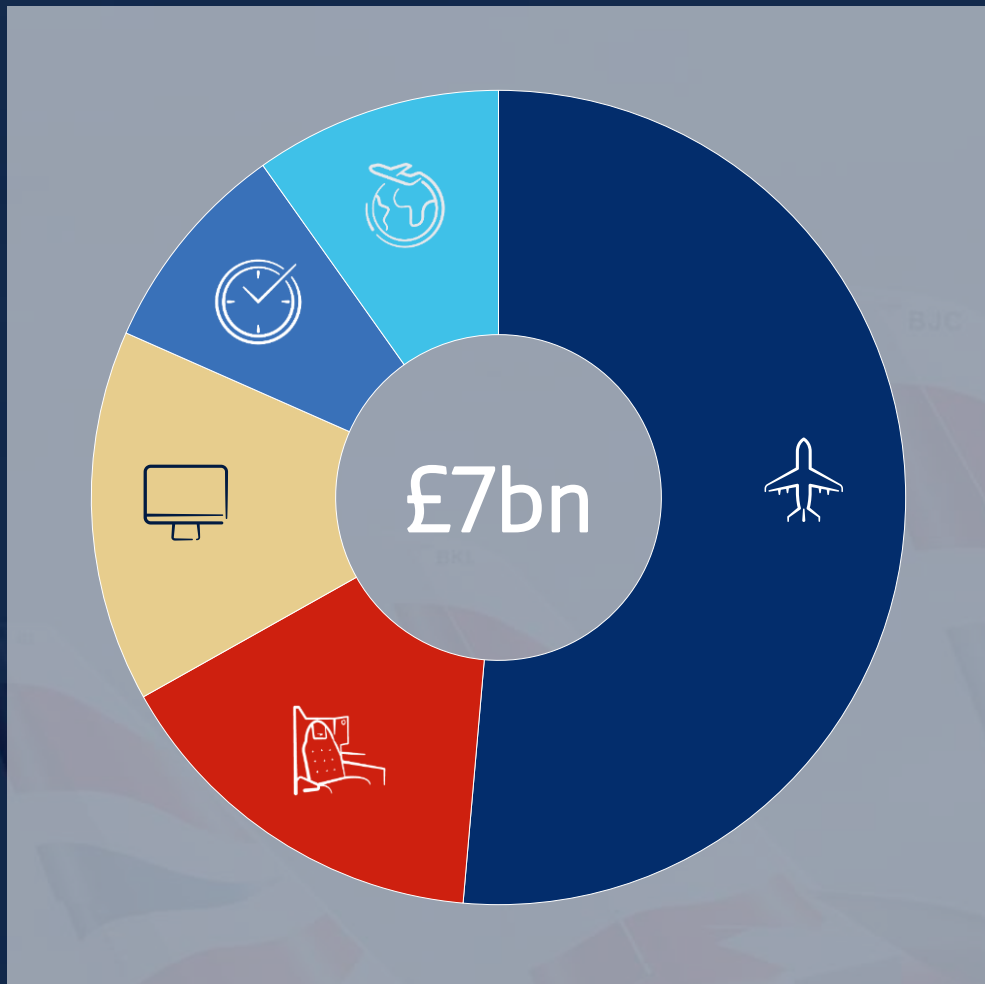
# VISION AND STRATEGY



# A ROBUST STRATEGY IS DRIVING OUR TRANSFORMATION



# A BETTER BA: OUR £7BN INVESTMENT PROGRAMME



Renewing our fleet



Updating our customer proposition



Modernising our Commercial & IT estate



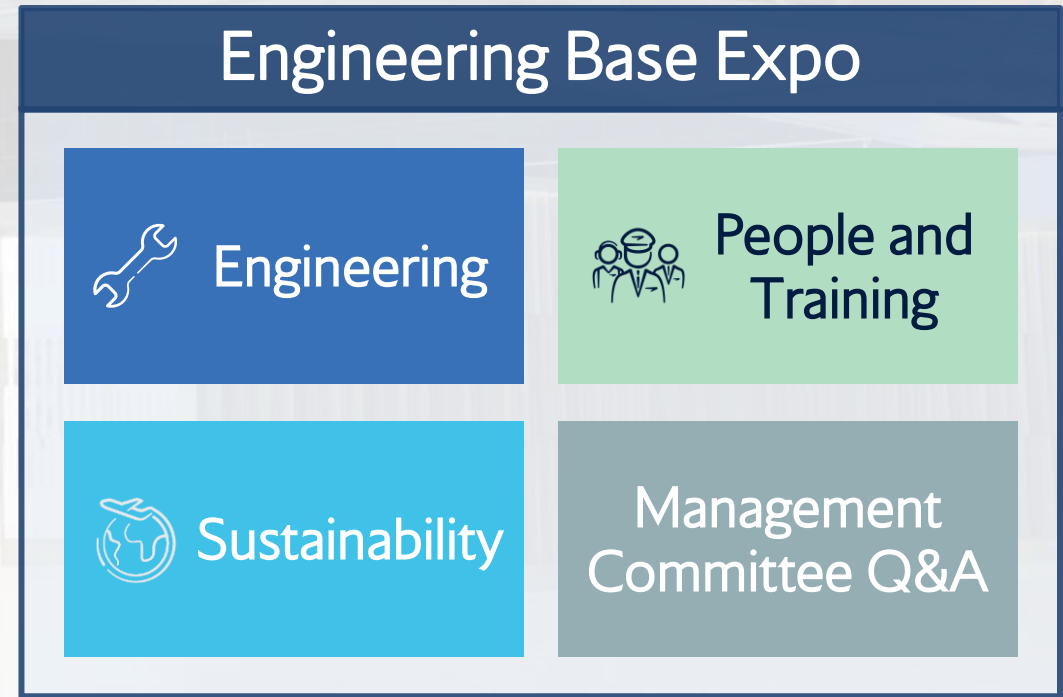
Investing in Engineering & Operations



Tracking towards our Net Zero ambition

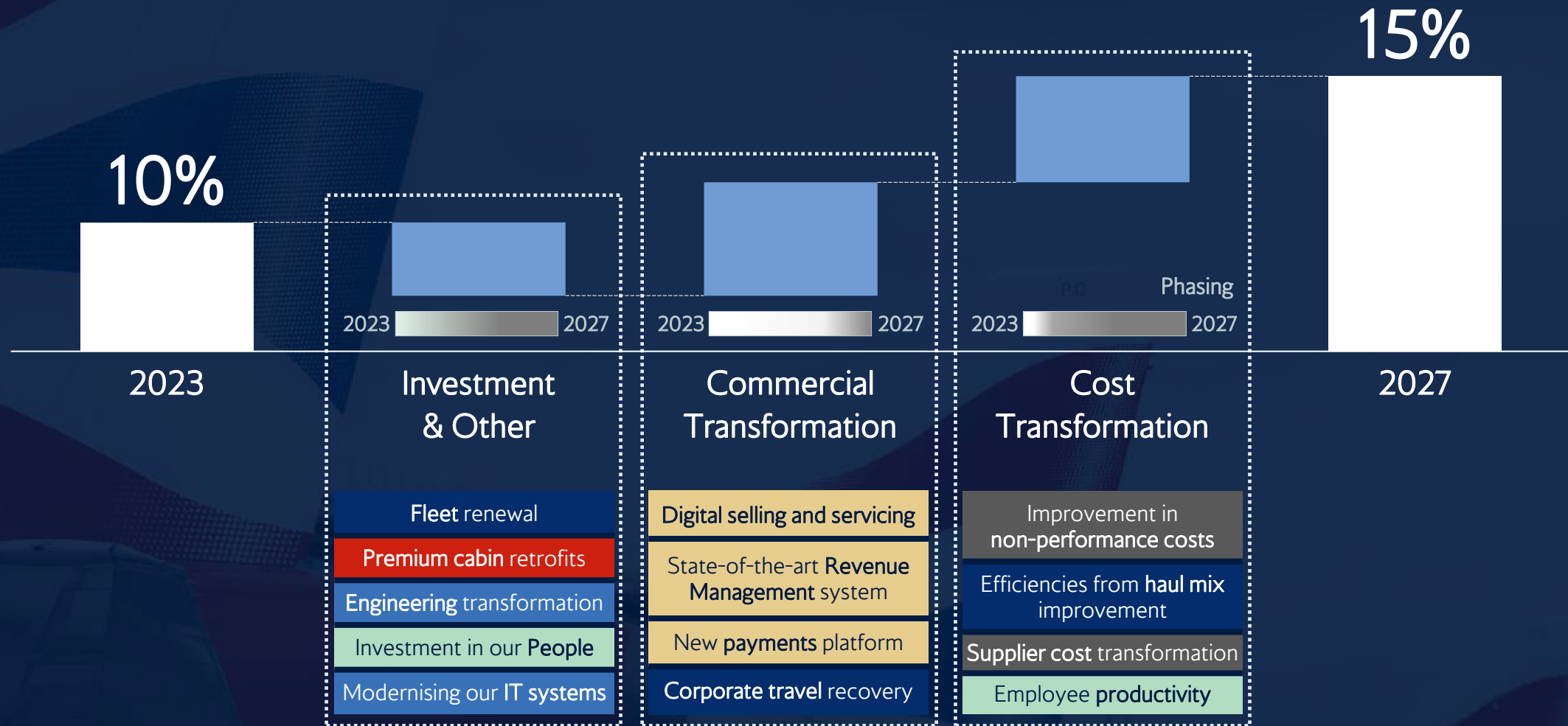
£7bn = Total BA Transformation investment 2024-26

# BRITISH AIRWAYS EXPO: OUR TEAMS WILL BE SHOWCASING THIS INVESTMENT FOR YOU TODAY





# MARGIN EXPANSION: OUR TRANSFORMATION WILL DELIVER BEST-IN-CLASS OPERATING MARGINS







# NETWORK AND GROWTH

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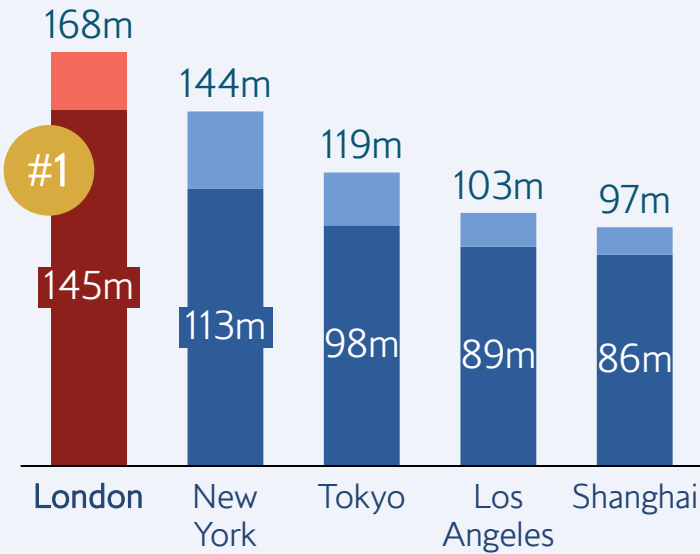


# HOME ADVANTAGE: LONDON IS STRUCTURALLY SUPERIOR

London is the world's largest air travel market by passenger volume

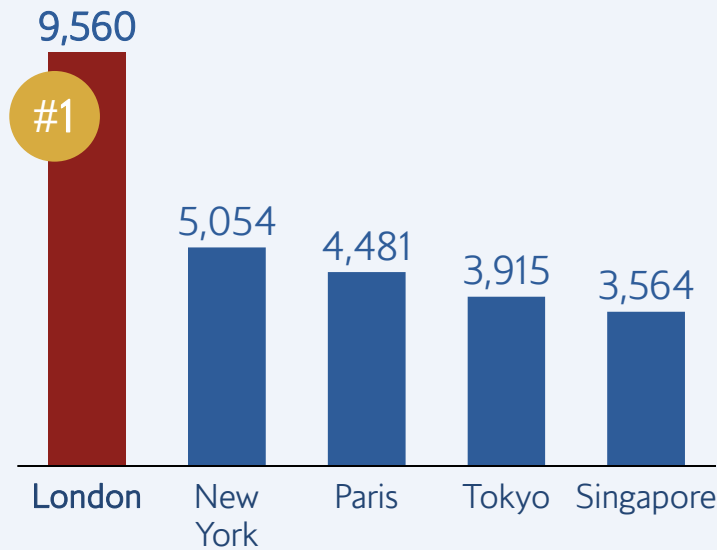
Total air traffic  
2023 passengers

O&D Connection



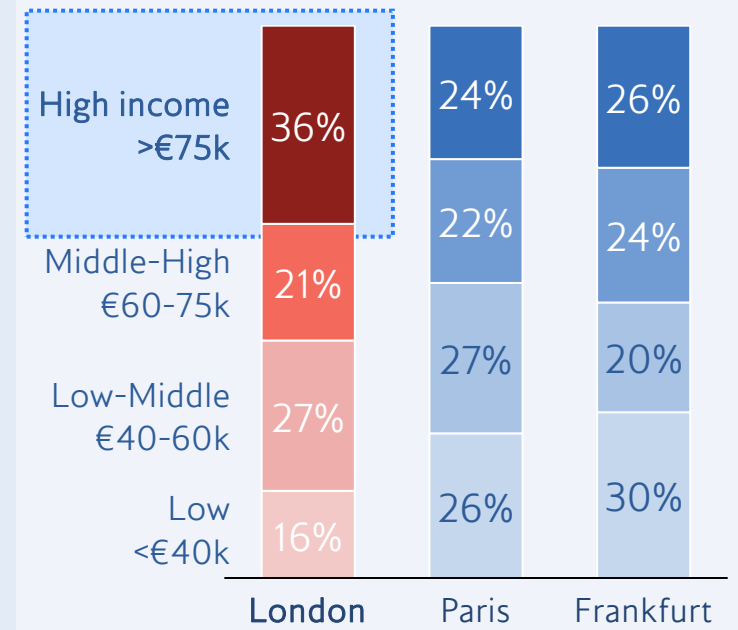
London is the most premium international travel market

International Premium Passengers  
Passengers per day each way 2023



The London-US market is more affluent than European peers'

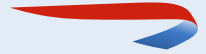
Income levels of Europe-US  
market passengers by hub city



Source: DDS / individual airport passenger statistics (combined to city level)

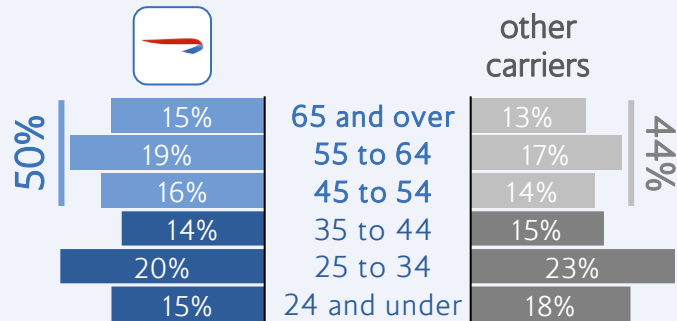
Source: IAG Brand Tracker. UK 12m to Jul '24. Paris, Frankfurt Jan '22-May '24

# STRONG CUSTOMER BASE: PREMIUM, DIVERSE, RESILIENT

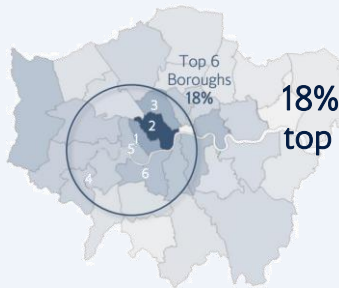


## Resilient customer base: more durable demand

Passenger demographic: age  
UK CAA survey 2023 / H1 2024



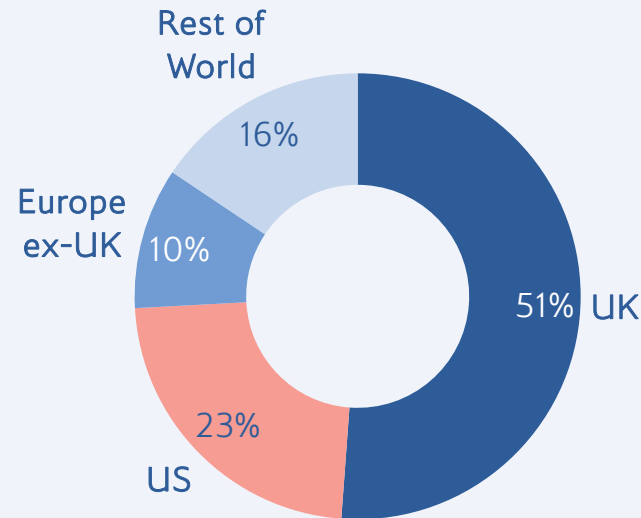
BA's passenger mix is very resilient



18% of UK passengers live in top six London boroughs by disposable income (other carriers: 8%)

## Our revenue mix is balanced across geographies

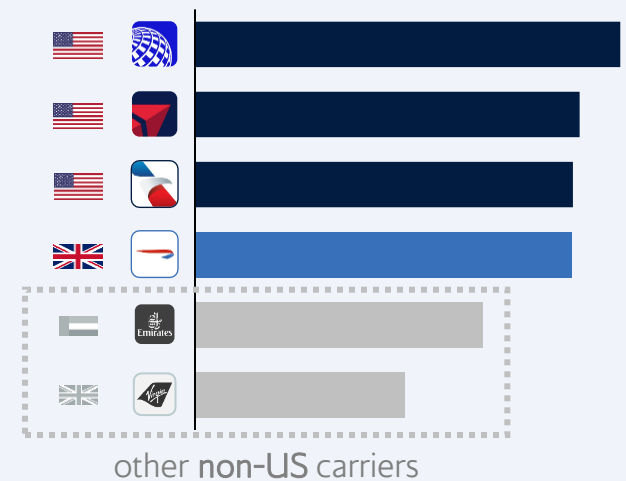
BA revenue mix by point of sale



Diversified demand exposure allows us to outperform through effective revenue management towards areas of demand strength

## Our brand presence in the US is comparable with local carriers

Prompted brand consideration



BA is the most searched European airline in the US

Source: CAA, ONS, BA Executive Club data

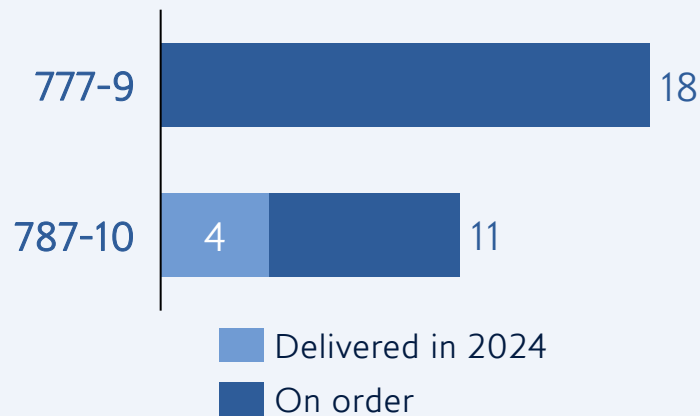
Source: IAG Brand Tracker – three-month average to Sep 2024  
"Which of the following would you consider for a short-haul/long-haul flight in future?"; Google Search

# LONG-HAUL NETWORK: FULL CAPACITY RECOVERY BY END 2026



## We have a strong delivery pipeline

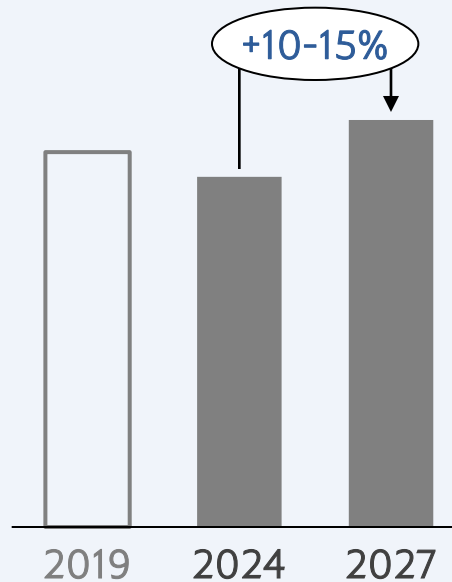
### Widebody firm orders 2024+



New widebody deliveries provide capacity, fuel efficiency and product improvements

## Building back our long-haul capacity

### Long-haul ASK growth

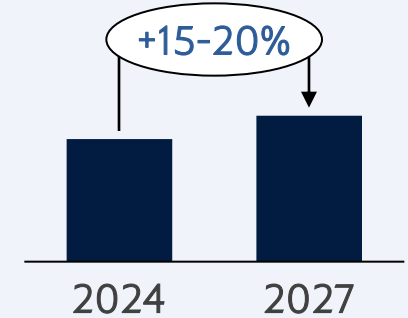


Evaluated based on latest OEM guidance

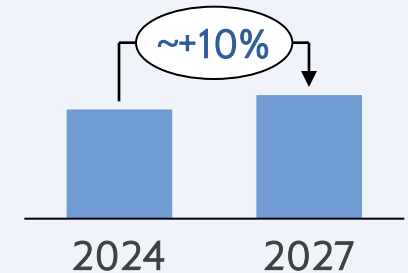
## Building on North Atlantic leadership, with selective Rest of World growth

### ASK growth by region

**North America**  
53% LH ASKs 2024

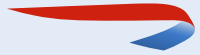


**Rest of World**  
47% LH ASKs 2024



**#1 North Atlantic network breadth**  
26 US destinations in Summer 2024

# LONG-HAUL PREMIUM: EXTENDING OUR PREMIUM ADVANTAGE



## Focusing seat growth in strong Club and World Traveller Plus cabins

Installed seats 2027 vs 2024

First ↑ ~10%

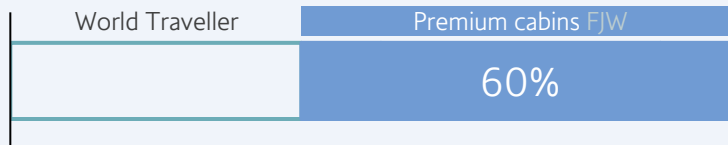
Club World ↑ ~15%

World Traveller Plus ↑ ~20%

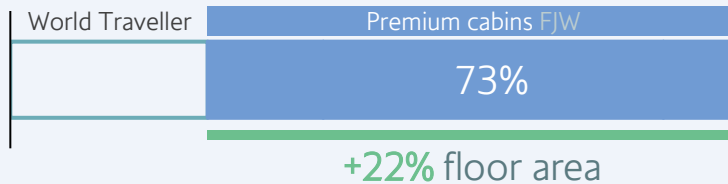
World Traveller ↑ ~5%

## Prioritising long-haul floor area in premium cabins (e.g. A380 retrofit)

Current A380 configuration



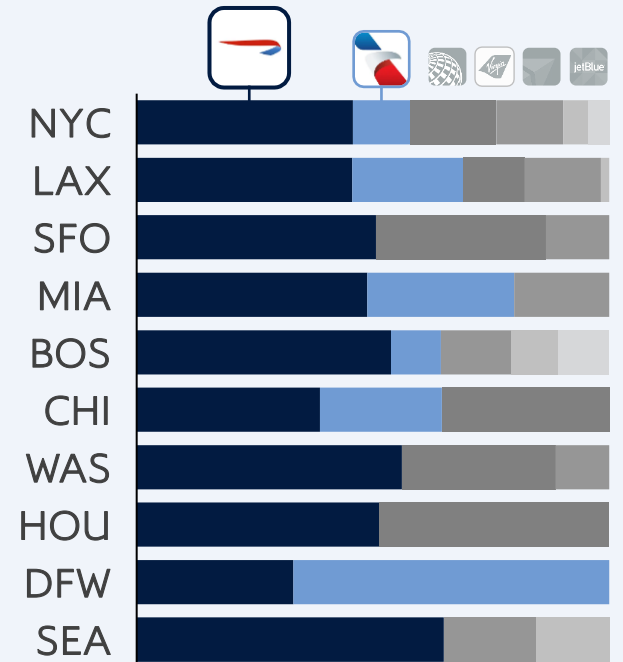
Future A380 configuration



62%

Long-haul floor area in premium cabins by 2027 FJW

## We lead in Premium in the most important markets



#1

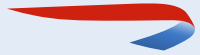
AJB Premium seat share on all top 10 London-US premium markets FJ

Based on latest OEM guidance

Ratio based on BA Economy-equivalent floorspace occupied by each seat type

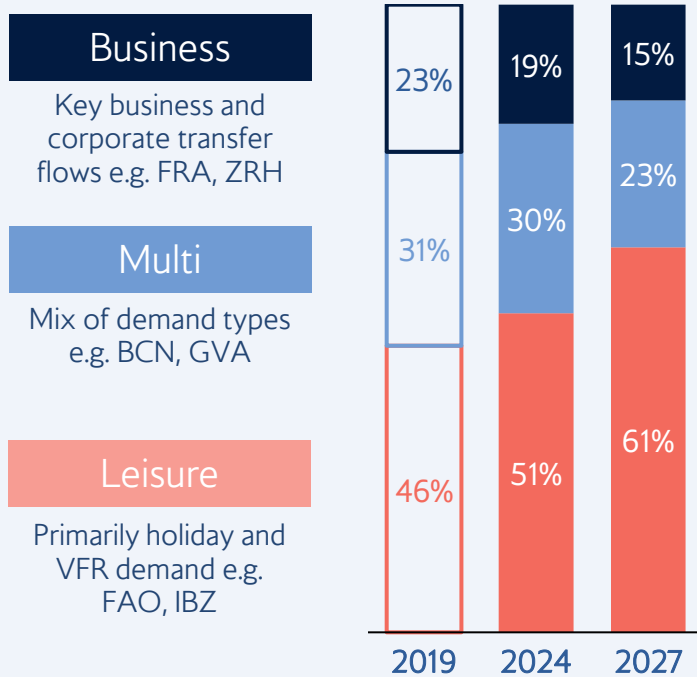
Source: IATA DDS 12m to Q1-24. Top ten LON-US markets by premium revenue

# SHORT-HAUL: COST-EFFICIENT FEED, PROFITABLE POINT-TO-POINT



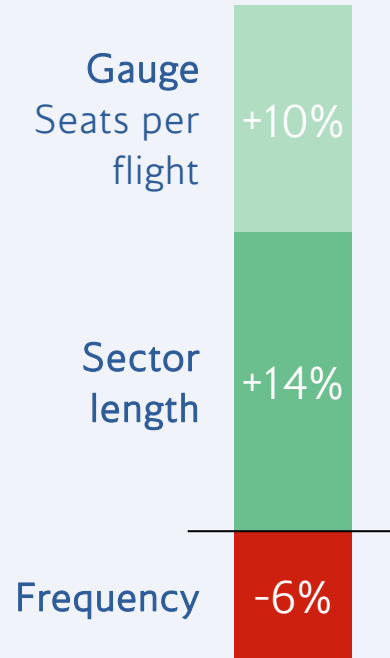
## Our pivot to leisure in short-haul markets is ongoing

### BA Group short-haul ASKs



## Planned growth is CASK efficient

### Drivers of ASK growth 2027 v 2019



## Heathrow short-haul enables connectivity; point-to-point focus at Gatwick and London City

### LHR Mainline

- ~30% transfer passengers<sup>1</sup>, enabling £1.8bn of BA long-haul revenue<sup>2</sup>
- CASK-efficient NEO refueling

### LGW Euroflyer

- Cost-efficient short-haul leisure growth
- Club Europe cabin drives RASK premium

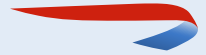
### LCY Cityflyer

- Right-sized fleet and increased gauge support leisure pivot
- Capital-light aircraft life extensions

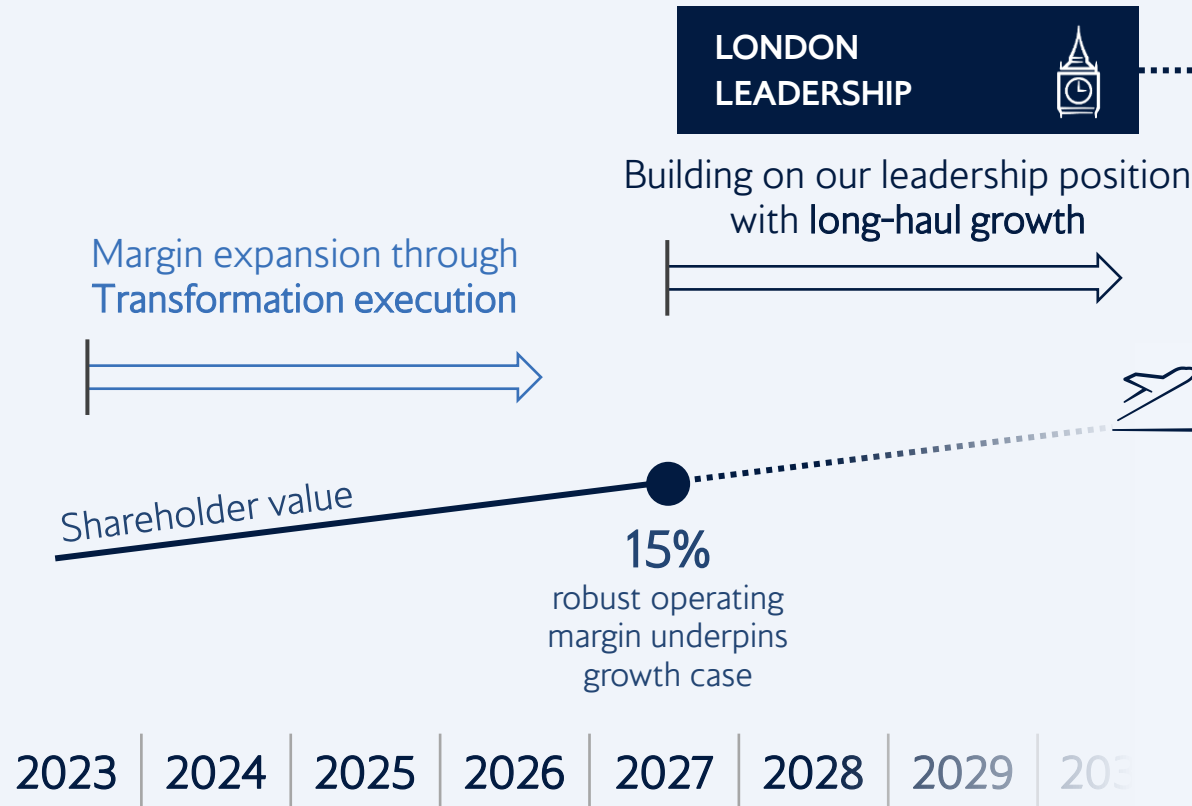
<sup>1</sup>BA Holidays value now informing network planning to maximise contribution to Group

<sup>2</sup>Includes connections onto partners <sup>2</sup>BA revenue enabled by short-haul connections. FY2023 data

# GROWTH FOUNDATION: PLATFORM FOR LONG-HAUL GROWTH



Best-in-class operating margins build the foundations for long-haul growth towards 2030



## BA long-haul capacity has lagged demand



## BA long-haul market share is below competitor hubs

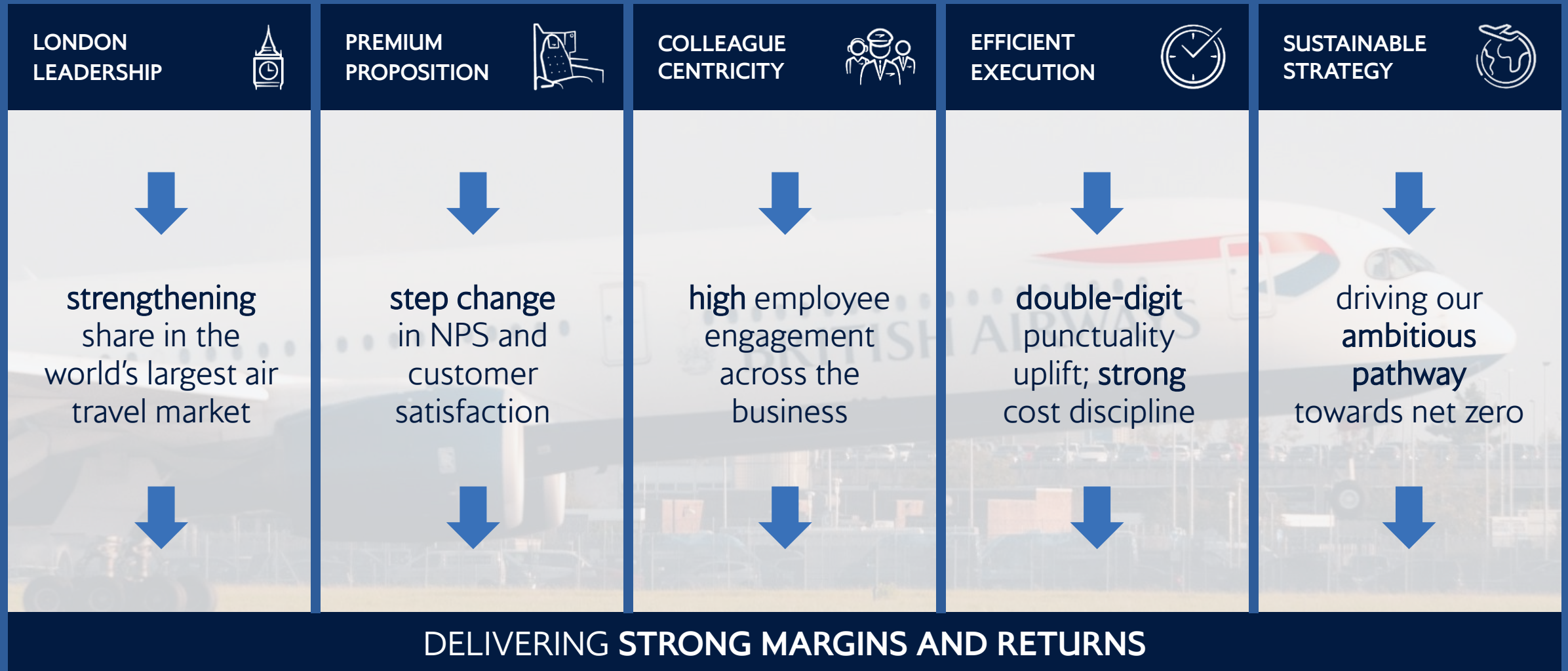


## BA can add to Heathrow long-haul supply

Re-balancing of slot usage from short-haul to long-haul allows long-haul growth at Heathrow for BA

Sources: GDP - Oxford Economics. BA markets based on GDP basket weighted by point-of-sale revenue. 2027 seat share outlook - BA analysis. OAG FY2024 seat share at city level of long-haul based carriers, sector length >3,500km

# A ROBUST STRATEGY IS DRIVING OUR TRANSFORMATION



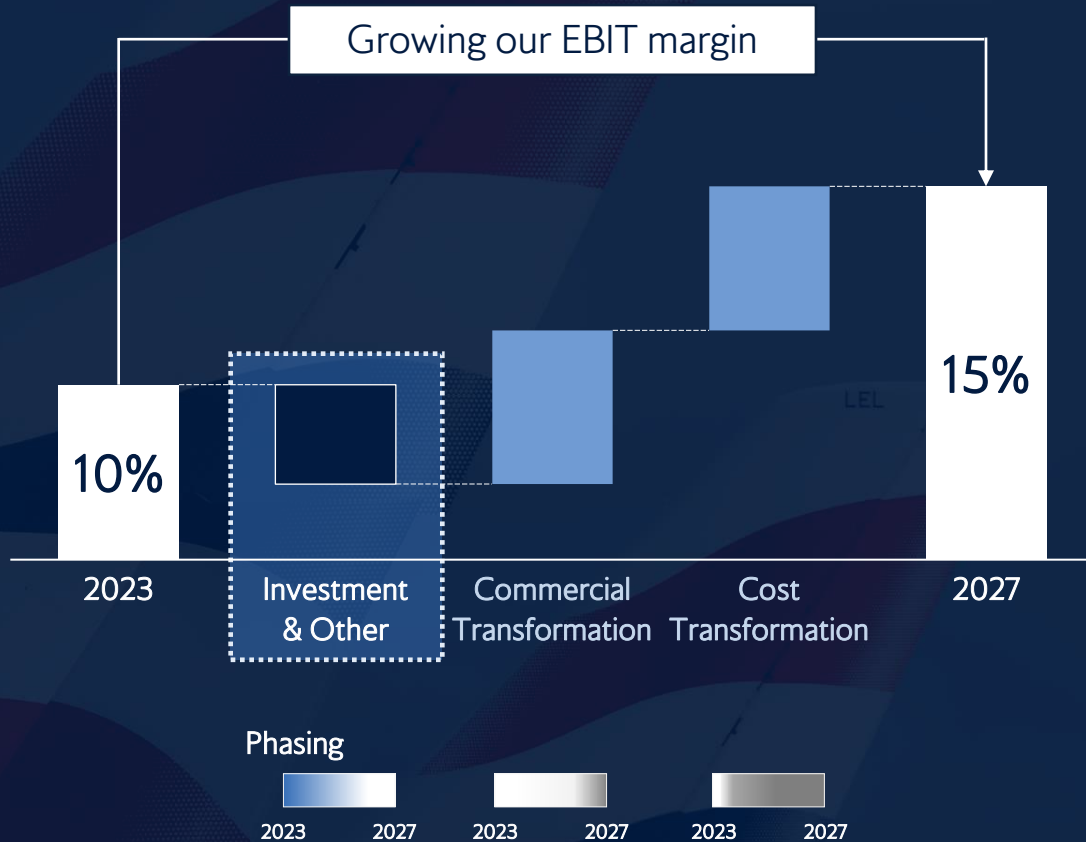




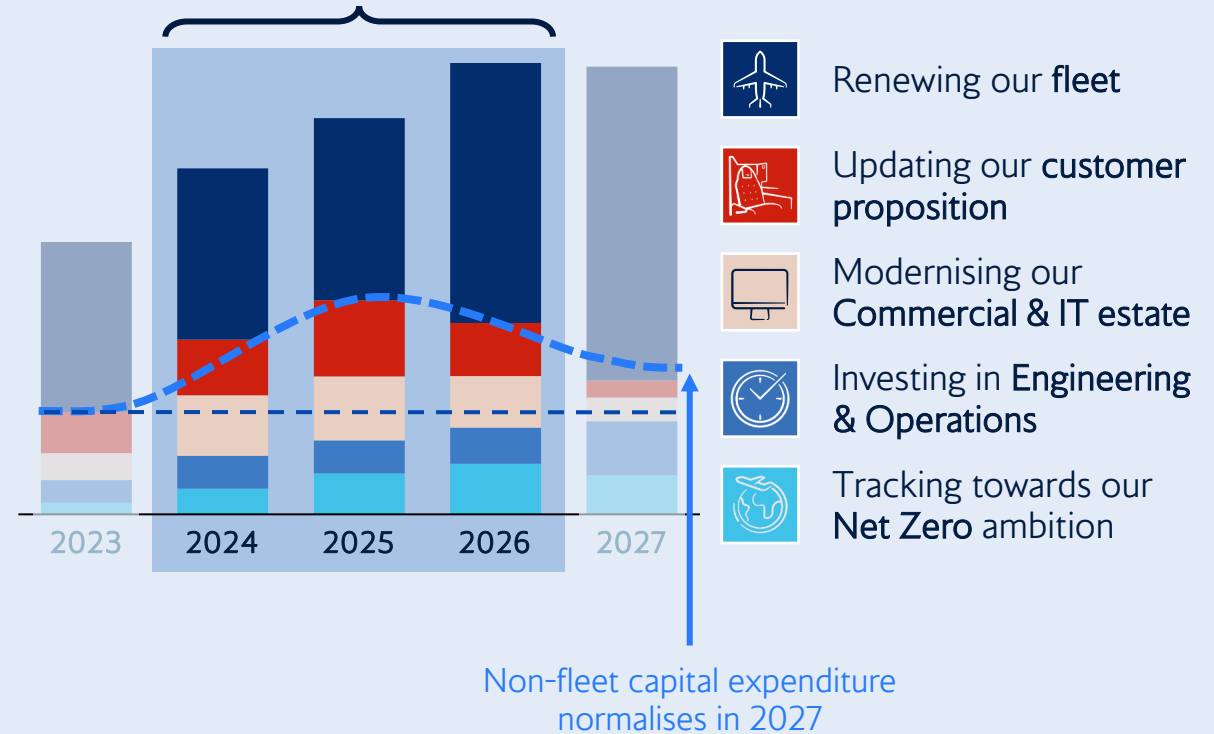
# FINANCE AND TRANSFORMATION



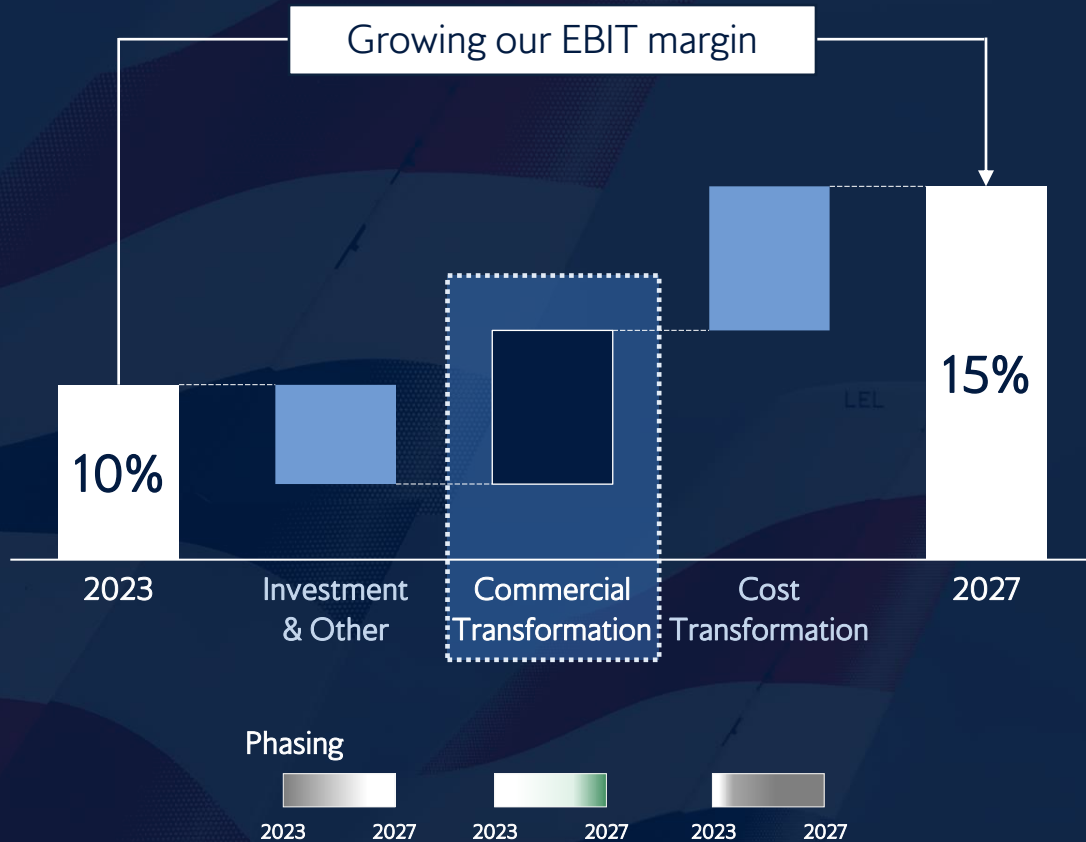
# ADDING FIVE POINTS OF EBIT MARGIN ACCRETION BY 2027



## Capex Investment Our £7bn investment plan 2024-2026





# ADDING FIVE POINTS OF EBIT MARGIN ACCRETION BY 2027




**Corporate Travel Growth** ~1% Contribution

**Transformation** ~4% Contribution

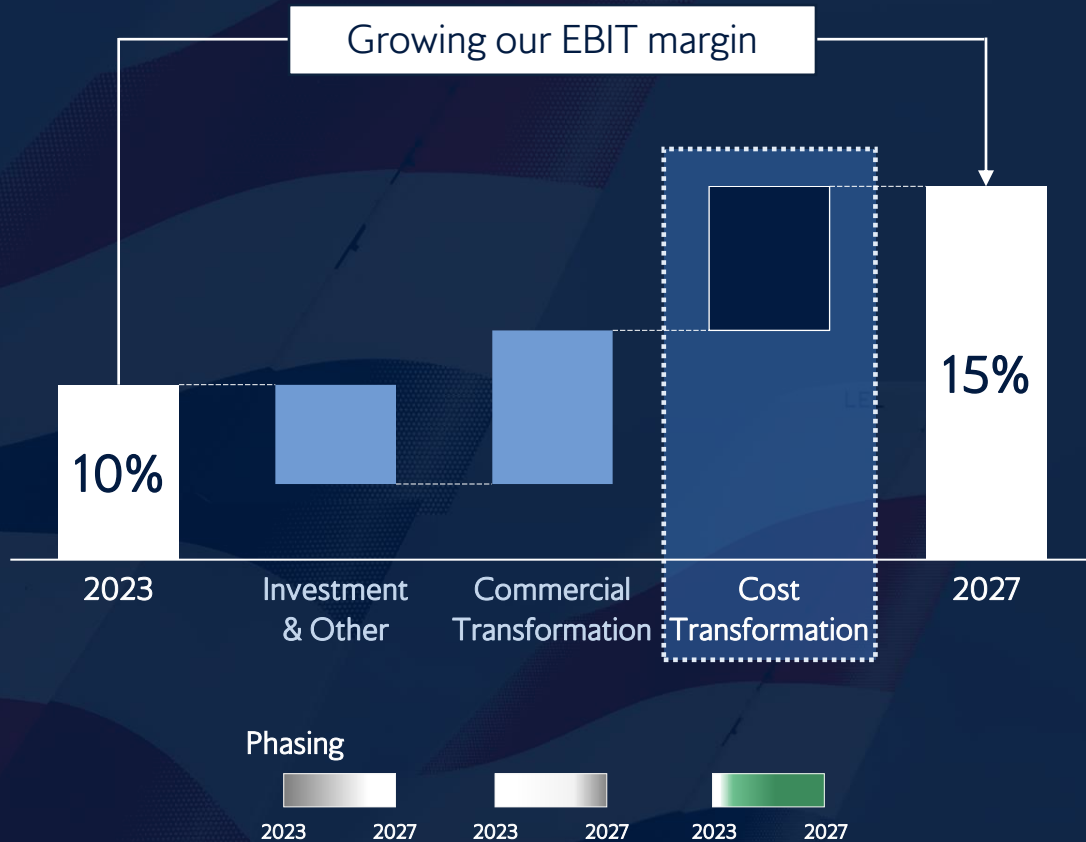
 **Digital experience** Mobile app launch and BA.com re-platforming

 **Tech innovation** New Revenue Management and Payments systems

 **Premium products** Club Suite, New First and Lounge upgrades

 **Loyalty** Continued development of Executive Club offering

# ADDING FIVE POINTS OF EBIT MARGIN ACCRETION BY 2027



## Improved Operations ~1% Contribution



Operational performance

Striving for operational excellence

## Cost Transformation ~2% Contribution



Supplier cost improvement

Working with our suppliers; zero-based budgeting



Efficient ways of working

Improving productivity



Long-haul growth  
as covered in Network & Growth

Sector length mix change for boosted efficiencies

# COST TRANSFORMATION IS REINFORCING BUSINESS EFFICIENCY



## Operational Performance

- Reduction in disruption costs on the back of improved operational performance and modernisation of IT estate
- Improvement in customer satisfaction

↓ 45% disruption cost



## Supplier Cost (Zero-Based Budgeting)

- Locking of savings into “should cost” budget made from zero, exposing and eliminating unproductive expenses
- Pilot delivered in 2024; full roll-out to start 2025

£500m sustainable savings



## Efficient Ways of Working in Support Functions

- Ongoing review of current structure, functions and processes to improve ways of working efficiencies
- Investments in technology and AI to improve productivity

Better HQ productivity\*

\*HQ Employees / ASK

# OUR AMBITIOUS PLAN WILL TRANSFORM EVERY AREA OF OUR BUSINESS



**1,400+**  
initiatives  
in the plan

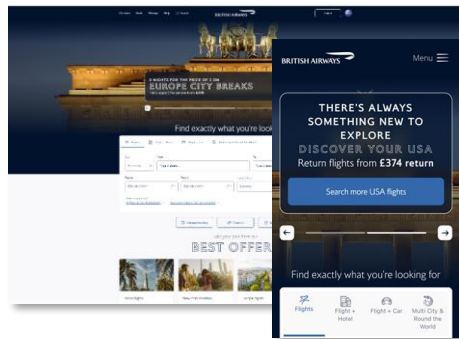


**500+**  
colleagues delivering  
our Transformation



**£2bn+**  
Transformation  
recurring benefit\*

## Commercial



- ✓ New ba.com developed and initial routes live
- ✓ Avios-only flights launched
- ❑ New Revenue Management system implemented
- ❑ Modernised payment system fully deployed
- ❑ New app and ba.com fully deployed

## Onboard experience



- ✓ Proactive Customer Care implemented
- ❑ New cabin interiors, Club Suite rollout and next gen cabins
- ❑ New aircraft deliveries
- ❑ Reduce food waste and single use plastics on board
- ❑ Execute million tonnes CO2 reduction

## Ground experience & Brand



- ✓ Award-winning brand campaign
- ✓ Lounges improved at Heathrow
- ❑ Refresh worldwide and Heathrow lounges
- ❑ Improve check-in and boarding experience
- ❑ Continue to build our brand

## Operations



- ✓ Heathrow (team based) Operating Model implemented
- ✓ New purpose-built Airport Operational Control Centre opened
- ❑ New Digital Tools rolled out to support operational needs
- ❑ Modern core operational and people systems implemented
- ❑ Electrification of airport vehicles

\*Annual benefits by 2027 vs 2023



# CUSTOMER EXPERIENCE

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WE ARE COMMITTED TO OUR  
CUSTOMER EXPERIENCE AND  
WILL BE THE CLEAR MARKET  
LEADER ACROSS THE ATLANTIC

### Investing in market-leading cabins

Transformative new First seat

Club Suite rollout\*

+27pt cabin environment CSAT

Reimagined short-haul interiors

+22pt seat CSAT

### Transforming our ground experience

Improved check-in and boarding

Refreshed lounges

Underpinned by a seamless digital experience and our commitment to sustainability

Full connectivity  
embodiment

Upgraded IFE and  
seatback charging

Digital disruption  
solutions

Pre-order  
capability

Reduced waste  
through AI technology

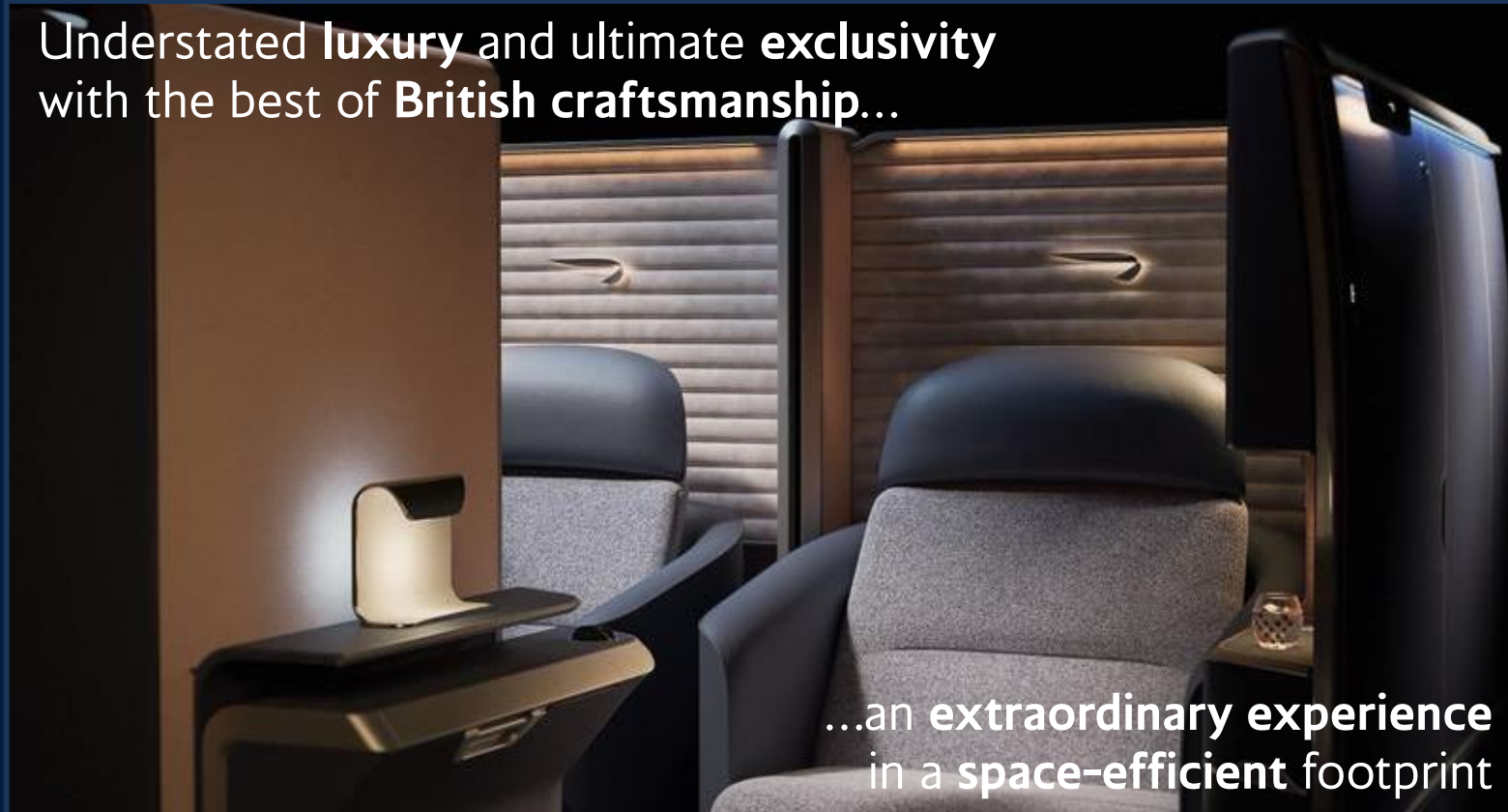




# DEEP DIVE FIRST: OUR WORLD-CLASS NEW FIRST CLASS SEAT



Understated **luxury** and ultimate **exclusivity** with the best of **British craftsmanship**...



...an **extraordinary experience** in a **space-efficient footprint**

- Ultra-wide seat and a 79" (6'7") bed, the longest First bed in Europe
- Central suites that open into a single lounge space
- Private dining with a travel companion
- Enclosed suite with powered door
- Increased stowage, wireless charging
- 32" TV screen, Bluetooth-audio enabled



## The case for First Class

Strong Profitability

Aspirational Halo

Post-Pandemic Resilience

Continued Relevance

Strategic Alignment



# DELIVERING EXCELLENCE AT EVERY TOUCHPOINT ACROSS THE CUSTOMER JOURNEY

Providing our colleagues with the tools and training to deliver a premium service



**CABIN CREW**

↑ +4pt improvement in cabin crew satisfaction

Continuing specialist **service training**  
38,000 hours already delivered

Building on strong foundations for a **high-performance culture**

Launching **new digital platform** to improve the onboard experience



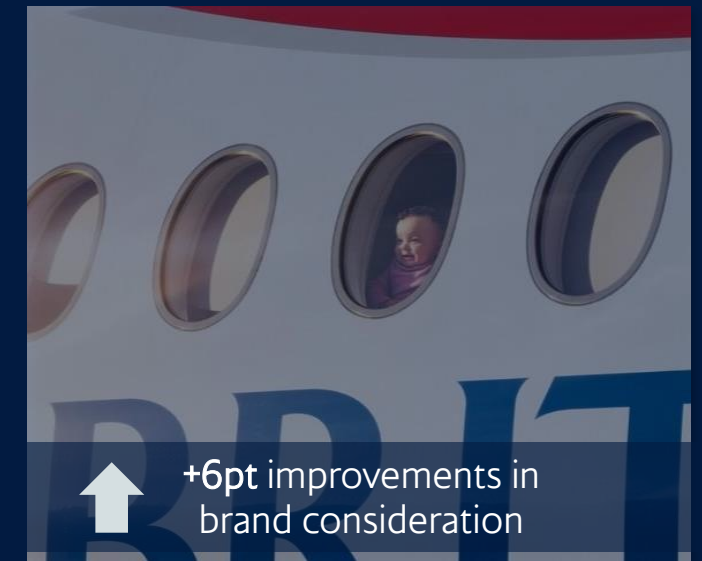
**CUSTOMER CARE**

↑ +11pt improvements in customer effort score

Using **AI and automation** to focus human assistance on complex and reassurance cases

New ways to **support customers in disruption**, with additional tools for front-line teams

Building our brand forward



↑ +6pt improvements in brand consideration

Investing in brand **campaigns in key markets** driving **modern and premium** brand profile

**Embedding the brand** across the customer experience

Expanding our **partnership portfolio** to attract new audiences



# COMMERCIAL TRANSFORMATION

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# OUR **COMMERCIAL RE-PLATFORM** WILL DELIVER A PERSONALISED AND SEAMLESS CUSTOMER EXPERIENCE AND IMPROVE REVENUE



Our transformed commercial capability is making strong progress...

ba.com Re-Platform	Rollout <b>in progress</b>
New BA Mobile App	Beta testing <b>in progress</b>
New Payment Platform	Fully deployed by <b>end 2025</b>
New Distribution Capability	Main indirect channel by <b>2027</b>
New Revenue Management System	Cutover <b>2025</b>
Offer and Order Management	Partnership <b>established</b>

...and will enable us to achieve our commercial ambitions

<p><b>A differentiated retailing experience</b> empowering customers with more choice</p> <p>100% online serviceability, including in disruption</p> <p>Personalised communications</p> <p>Enriched loyalty experience through the booking process</p> <p>Key KPI targets:</p> <table border="1"> <tr> <td>Customer satisfaction with the digital experience</td> <td>+10pt</td> </tr> <tr> <td>Loyalty penetration</td> <td>↑</td> </tr> </table>	Customer satisfaction with the digital experience	+10pt	Loyalty penetration	↑	<p><b>Best revenue margin in the industry</b></p> <p>Transformed product range across channels</p> <p>Optimised pricing</p> <p>Targeted investment to attract customers</p> <p>Key KPI targets:</p> <table border="1"> <tr> <td>Ancillary Revenue/pax</td> <td>+30%</td> </tr> <tr> <td>PRASK</td> <td>↑</td> </tr> <tr> <td>Selling Cost Margin</td> <td>↓</td> </tr> </table>	Ancillary Revenue/pax	+30%	PRASK	↑	Selling Cost Margin	↓
Customer satisfaction with the digital experience	+10pt										
Loyalty penetration	↑										
Ancillary Revenue/pax	+30%										
PRASK	↑										
Selling Cost Margin	↓										

KPI outlooks are indicative estimates only

# DEEP DIVE BA.COM AND MOBILE APP: DELIVERING A LEADING-EDGE DIGITAL EXPERIENCE



Our new website and app will deliver significant benefits across many dimensions...

## CUSTOMER EXPERIENCE

Seamless journeys across all touchpoints with **100% online serviceability** to increase customer satisfaction and drive loyalty

## OPERATIONAL STABILITY

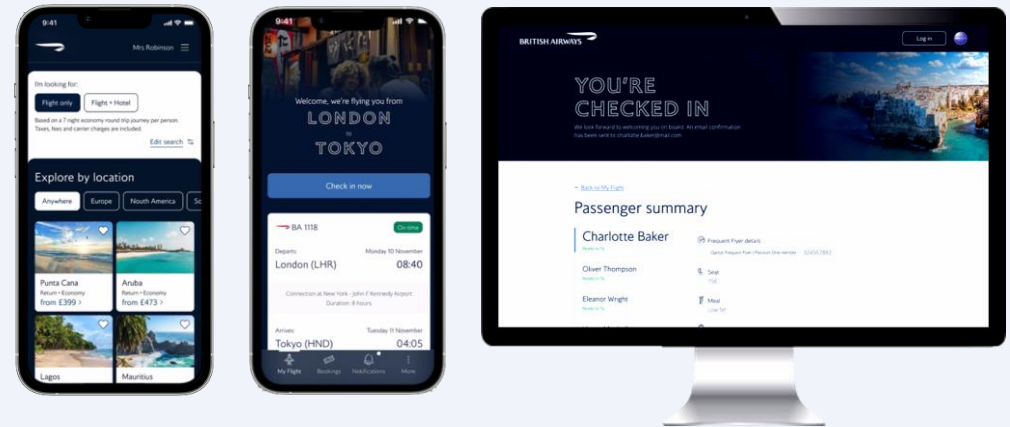
New technology backbone improving **stability** and strengthening our response to change, delivering **99%+ uptime** and enabling faster changes

## PRODUCT INNOVATION

Bringing new commercial products to **market faster** and iterate more effectively with experimentation opportunities

...and allow us to roll out new functionality and enhancements

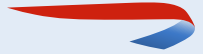
A transformed, internal skill base within BA is building a mindset of **speed and agility** in our tech development



Our brand-new digital platform will **facilitate innovation** and allow us to **leapfrog competitor capabilities**



# DEEP DIVE DISTRIBUTION AND PAYMENTS: KEY BUILDING BLOCKS TO ENHANCE THE SELLING PROCESS



## New Distribution Capability NDC

**NDC is transforming the way our partners sell to our customers**

**Access to the richest content** as our offer becomes more curated and fast changing

A key enabler of the move from static product ranges to a **wide offer of products that adapt to customer needs** in the indirect channel

Ensuring all customers can access content from our **next-generation commercial platforms**

Supporting our indirect partners to **offer full serviceability** of all products they sell for us through our APIs

**Target c. 85-90% volume** through modern retailing platforms by 2027 including our digital channels and NDC

## New Payments Platform

**Our new platform will deliver industry-leading payments technology**



**Robust, flexible payment orchestration layer** replacing our legacy platform

allowing us to offer new methods of payment offering more opportunities to use Avios optimising costs associated with accepting payments



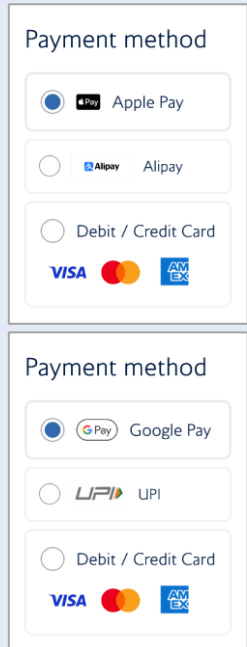
**Improving platform robustness**

delivering improved first-try payment success



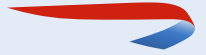
**AI transaction analysis** for fraud detection

improving payment acceptance and security





# DEEP DIVE NEW REVENUE MANAGEMENT SYSTEM: TRANSFORMING OUR PRICING CAPABILITY TO CAPTURE WILLINGNESS TO PAY



## Our new RM system will deliver key revenue capabilities...



Automated, continuous pricing for fares and ancillaries to improve willingness to pay



Advanced data analytics and demand forecasting, implementing machine learning and AI



Move to an origin-and-destination network-optimised system



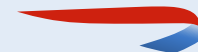
Enable us to move to full offer optimisation with Offer and Order Management

## ...with full transition in 2025

- ✓ System and process testing underway
- ✓ Calibration in shadow mode ongoing
- ✓ Pricing trials in progress for fares and ancillaries
- Full cutover in 2025
- Retirement of legacy RM system

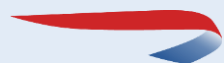


# DEEP DIVE OFFER AND ORDER MANAGEMENT: MODERNISING THE FOUNDATIONS OF OUR TECHNOLOGY STACK



## Old foundations constrain our ambitions

- Most legacy airlines are built on technology dating from the **pre-internet era**
- We have innovated within this legacy environment up to now
- To realise our ambitions for the future, we need to lay new foundations



| amadeus

We have partnered with Amadeus to co-create **Nevio**, which will be our next-gen Offer and Order Management system

As a launch customer, we will **shape the future** of airline technology and **unlock benefits faster** than our competitors

## Nevio will open new frontiers in our retailing capability and digital experience



**Full optimisation of Products and Pricing** unlocking truly tailored and relevant offers to customers and new revenue streams



**An improved, more consistent retailing experience and customer journey** regardless of channel, journey, or partner



**A step change in our agility** allowing us to innovate and adapt more quickly than ever before





# OPERATIONS AND IT



# OUR FOCUS ON IMPROVED PUNCTUALITY WILL DELIVER BOTH FOR OUR CUSTOMERS AND FOR OUR COST EFFICIENCY



We are targeting a double-digit punctuality uplift

## D15 OTP Trajectory



Mainline Network D15 flown performance. YTD is to 22 Nov 2024. Targets are indicative.



Our investment in a new Heathrow Operating Model has boosted hub punctuality, driver of customer satisfaction



We are now focusing on baggage performance, the connecting experience and the boarding process



Digital initiatives have built a foundation of resilience and efficient decision-making, with faster disruption recovery



Our new disruption tool in Manage My Booking offers optimised rebooking options on BA and other carriers



Our Collaborative Planning processes ensure schedules, engineering and operations execution work hand in hand

# WE HAVE LAID THE FOUNDATIONS OF A STRUCTURALLY MORE ROBUST OPERATION



## AI-enabled Integrated Operations deliver a robust digital foundation

### Digital Tools

Tail assignment, disruption management and resource optimisation tools in place so far

### Data Platform

Building a unified platform as a single source of truth and enabler of advanced tools

### Large Scale Modernisation

Replacing operationally critical core systems with solid, new solutions

### Operations Decision Support Team

400-strong team improving operational decision-making

## Embedding our Heathrow Operating Model, with over 300 new roles

### Punctuality

Our investment to date has delivered a **step-change in punctuality** at Heathrow

### Baggage

Renewed focus on getting **bags to reclaim belts faster** and **reducing missed bags**

### Disruption recovery

We have transformed our recovery from heavy disruption, and are now addressing **performance on days of moderate disruptions** e.g. flow rate restrictions at LHR



Punctuality  
D15

**+13pt**

2024 YTD vs 23

YTD 22 November 2024



Delayed bags

**-13%**

2024 YTD vs 23

YTD Oct 2024



Punctuality after  
heavy disruption

**+11pt**

2024 YTD vs 23

D15 punctuality the day after a day of <50% D15.  
YTD Oct 2024



Punctuality  
benefit

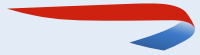
**+5-10pt**





# DEEP DIVE DISRUPTION MANAGEMENT TOOL: SELF-SERVICE TOOL

## PROVIDING OPTIONS TO CUSTOMERS QUICKLY AND REDUCING COSTS



### Smoother customer experience in disruption

- Rebooking tool offers **choices on 25+ carriers** on cancellation or misconnection due to a BA-operated flight
- Options weighted for **convenience, routings and timings**
- **Fully self-service** with no waiting time
- **Automated transfer** of ancillary products and detailed booking data
- **Optimised rebooking options** for vulnerable customers\*, Executive Club members and other high value customers

### Benefits to business of resolving disruption faster

- **Reduced manual handling** of rebooking and reticketing
- **Customer Care teams freed up** to handle more complex requirements
- **Optimised disruption cost** through carrier agreements and prioritised rebooking options
- **Faster resolutions reducing costs** incurred by disrupted customers

Successful rebooking

**+18pt**

Same day solutions

**+15pt**

vs refunds or other lost bookings, compared with previous rebooking processes

### Example of rebooking in disruption

Connecting flight cancellation

Before: overnight delay until next BA connection due to lack of partner agreements, requiring hotel accommodation and EU261 compensation

Now, with new tool: seamless rebooking onto carrier with new agreement, transferring all booking details and reaching destination with no delays

Your old flight details		Your new flight details	
<p><b>BA813</b> British Airways Euro Traveller</p>		<p><b>KL1270</b> KLM</p>	
<p>DEPARTS 09 Nov 2024</p> <p><b>10:25</b> Copenhagen</p>	<p>ARRIVES 09 Nov 2024</p> <p><b>11:40</b> London Heathrow</p>	<p>DEPARTS 09 Nov 2024</p> <p><b>12:05</b> Copenhagen</p>	<p>ARRIVES 09 Nov 2024</p> <p><b>13:30</b> Amsterdam</p>
<p><b>BA263</b> British Airways World Traveller</p>		<p><b>KL425</b> KLM</p>	
<p>DEPARTS 09 Nov 2024</p> <p><b>13:25</b> London Heathrow</p>	<p>ARRIVES 09 Nov 2024</p> <p><b>22:50</b> Riyadh</p>	<p>DEPARTS 09 Nov 2024</p> <p><b>14:50</b> Amsterdam</p>	<p>ARRIVES 09 Nov 2024</p> <p><b>22:50</b> Riyadh</p>
		Terminal 2	
		Terminal 3	

\*e.g. children travelling alone, customers requiring disability assistance or other additional requirements, prioritising direct options over connecting itineraries



# INVESTING IN OUR DIGITAL INFRASTRUCTURE WILL FACILITATE A MORE STABLE, CONTROLLED & SECURE IT ENVIRONMENT

## UK data centre exit and migration to Cloud servers

The data centre exit enables **agility, innovation** and **cost optimisation**, with **security** and **sustainability** benefits

Final applications exit from UK data centres

**H1 2025**



## Building IT and Cyber resilience

We are addressing the **critical need to strengthen our IT resilience** and embed our cyber resilience

- Remove **obsolescence** and ensure **resilience** of critical operational systems
- Enable **multi-factor authentication** on BA Exec Club accounts
- **Accelerate upgrades** and support end-of-life hardware

## A revamped IT Operating Model




One **"BA Digital"** team established to ensure consistency and alignment

Refining the digital **delivery process** and **governance**

Introducing a **product-led delivery approach**, with **central teams** supporting **cross-department functions**

## Creating a data platform for the future

We are building a **scalable, modern data platform on the cloud**, so we can ingest new data sources, store, process and analyse larger volumes of data, **faster than today**

-  Ability to incorporate new data sources and types
-  Building in **AI and machine learning** capabilities
-  Enabling faster **innovation and insights**



**ENGINEERING**

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# WE ARE BUILDING THE SAFEST AND MOST RELIABLE ENGINEERING ORGANISATION IN THE WORLD



## We have established a trajectory of Engineering transformation

### Investing in People

Rebuilding our Engineering talent and resource base through strong recruitment and retention

### Driving efficiency

Pursuing efficiency and making better use of available aircraft time

### Improving aircraft availability

Driving up technical dispatch reliability

### Strong foundation for the future

Building a culture and capability of innovation and improvement

## Building a solid digital foundation is fundamental

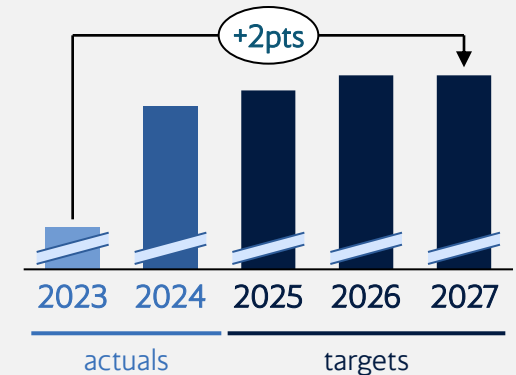
Building a foundational layer of quality data

Using automation and AI tools to streamline operations

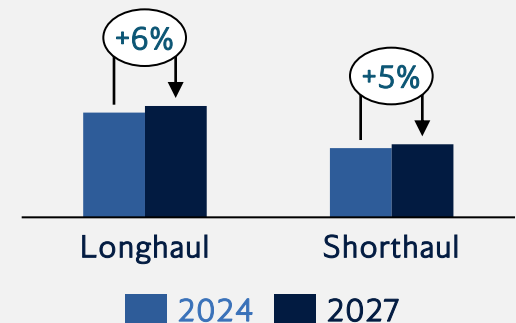
Improving processes and schedule development to maximise use of maintenance time

Streamline supplier processes via optimised logistics

Pushing up technical dispatch reliability...  
% of flights operating without engineering intervention



..and enabling improved utilisation  
projected block hours per aircraft per day



# OUR ENGINEERING TRANSFORMATION IS STRUCTURALLY CHANGING THE WAY WE WORK



## Reactive maintenance

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Responding to maintenance requirements on aircraft as they arise

## Proactive maintenance

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Extending the planning horizon from on-the-day to future weeks and months

## Predictive maintenance

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Using analytics and insights to **pre-emptively avoid defects**, reducing downtime and costs





# DEEP DIVE ENGINEERING TECHNOLOGY: INVESTING IN TOOLS THAT ALLOW US TO MOVE FROM REACTIVE TO PREDICTIVE MAINTENANCE

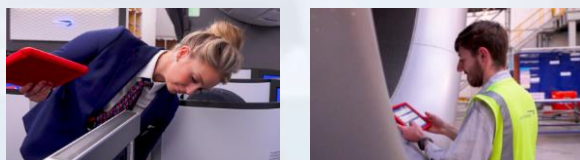


Building a solid foundation of reliable Engineering data is enabling rollout of tools that are transformative to the way we work

## E-Log: instant defect reporting from plane to ground

Automated process from crew devices

Allows planning and parts delivery before aircraft arrival, reducing delays



No manual data entry, eliminating errors; creates clean data for analysis

Rollout completed a year early

Sheets of paper saved annually

~1m

## ChronicX: helping us identify and prioritise maintenance work

Ingests data automatically from E-Log

Identifies trends and recurrent defects using word recognition technology

Allows analysis of an aircraft's entire history in seconds, accelerating diagnosis and fixes

Fleet-wide analysis is delivering structural improvements to costs...

e.g. reduced spare part wastage  
fewer temporary fixes

...and revenue generation

e.g. premium seat serviceability

## Aviatar: using our foundation of data to predict maintenance needs

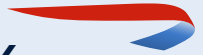
Predictive aircraft health monitoring

Identifies and gives early warning of aircraft defects

Analyses and maps trends for individual components, predicting failures and allowing pre-emptive replacement

- Improved planning certainty
- Reducing potential delays
- Improving fleet health

# WE ARE MANAGING OUR SUPPLIERS AND INFRASTRUCTURE EFFECTIVELY IN THE FACE OF EXTERNAL CHALLENGES



## Building a more robust supply chain

Ensuring **availability of parts** at the right time, in the right place, at the right cost using an advanced demand forecasting model and centralising safety stock locations

Developing a **new Distribution Centre** to meet our parts delivery requirements more effectively, closer to point of use.

Creating end-to-end visibility of **supply chain performance**

Working in **partnership with our core OEMs** and suppliers to solve challenges  
For example, our partnership with Airbus on A380 is boosting operational reliability

## Mitigating engine-related issues

As a significant Trent engine operator, we are **pursuing a robust and constructive approach** with Rolls-Royce

We have ramped up engine change frequency and are closely managing **engine time on-wing**

Advanced diagnostic capability within BA Engineering is **mitigating the impact to our operations**

**Newly-designed turbine blade solution** to be rolled out from Q1 2025; complete H1 2027

## High-performing subsidiaries

Our Cardiff operation is achieving **industry-leading turnaround times for 777s**

777 downtime **-38%** vs external providers

Investment in a third maintenance bay in Cardiff is enabling **insourcing of A350 maintenance**

Our Glasgow base is developing **high-tech, innovative maintenance solutions**

Working closely with Airbus, we have developed a new process to contain wing skin corrosion defects

A320 family downtime **-51%** vs external providers



# PEOPLE AND TRAINING



# OUR PEOPLE: AT THE HEART OF BA



**Our people** are at the centre of everything we do



Transformation activity is centred around **our people**



Our external and internal media features **our people**



Listening to **our people** and driving up engagement is prioritised by leaders



Internal resolutions have prevented TU escalation, further strengthening relations with **our people**

# OUR PEOPLE STRATEGY IS DELIVERING RAPID IMPROVEMENTS IN ENGAGEMENT AND ADVOCACY

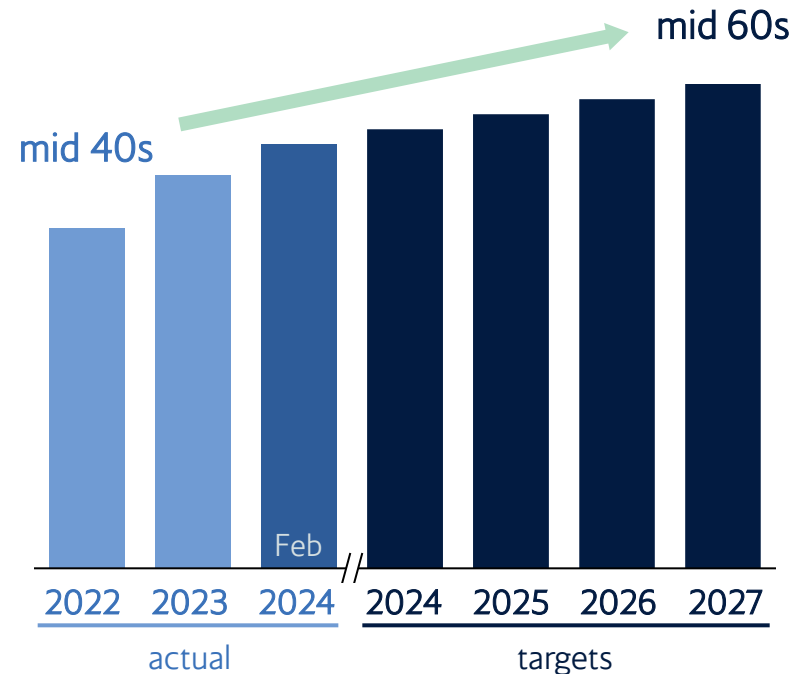


### Three pillars underpinning our People strategy

- Great people**
  - Gender diversity: **50:50** by 2030
  - Ethnic minority representation: **20%** by 2030
- Coherent structure and accountabilities**
- Investment in the tools**

Inclusion and diversity targets at Band 1 and Band 2 management level

## Reality Check Engagement Index



## Advocacy

eNPS  
**+65 pts**  
 2024 v 2021

"I would recommend BA to friends and family as a good place to work"

# INVESTMENT IN PEOPLE, STRUCTURE AND TOOLS WILL ENABLE OUR PEOPLE TO DELIVER BUSINESS SUCCESS

Inspiring every colleague to fulfil their potential by helping them develop skills and confidence to learn, grow, and excel

1

Our people are core to our success and we are investing in their development

- The BA Global Learning Academy is a platform for success for our people, developing leaders and improving organisational effectiveness
- Reinforcing our culture through training and hiring to propel our business forward and realise our Inclusion and Diversity ambitions
- Tailoring our training to match our safety and premium service requirements

2

Building a structure with clear accountabilities is the foundation for an effective organisation

- Understanding the skills and driving the performance of our people
- Transforming our ways of working to create clear accountabilities and an efficient architecture that can adapt to change quickly
- Ensuring our policy framework is clear to our people, meets organisational needs and aligns with our values

3

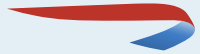
Investing in tools and workplaces to ensure our people have what they need to work effectively

- Investing in technology that supports our front line people to work more effectively, for customers and BA
- A ground-up rebuild of our HR systems, guided by our people, to enhance the colleague experience at BA
- Investing in work environments across our sites



# SUSTAINABILITY

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# VISION:

## BUILD A CULTURE OF SUSTAINABILITY THAT'S VISIBLE TO CUSTOMERS



### People

Creating an **informed, engaged, diverse and inclusive workforce**, building a sense of wellbeing and belonging, enabling all to thrive



### Planet

Driving **urgent action towards net zero emissions**, cutting waste and resource use and ensuring environmental stewardship



### Responsible Business

**Delighting our customers** on sustainability and making **meaningful contributions to communities** where we operate

### The journey we are on

#### BA Better World launch

Building awareness, engagement, and governance and beginning performance improvements

#### Embedding Sustainability

Climate and ESG in decisions, products, performance and investment plans.

#### Preparing for low carbon transition

Increasing ambition and integration, assessing business models and continued innovation

2021

2022

2023

2024

2025

2026

2027

2028

2029





# DEEP DIVE PLANET: WE ARE TAKING URGENT ACTION NOW AND HAVE AMBITIOUS GOALS FOR THE FUTURE



## Pioneers of aviation's journey to Net Zero

First airline to report our carbon footprint over two decades ago

As part of IAG, the first airline group to commit to Net Zero by 2050, as well as 10% SAF by 2030

10% reduction in emissions intensity\* already delivered since 2019

\*gCO<sub>2</sub>/pkm

## Continued initiatives to reduce emissions in our operations

Significant investment in **next-generation, fuel efficient aircraft**

Leaders in **SAF investment**

c. 2% SAF of total fuel at end of 2024

SAF deals with corporate customers

Stimulating the carbon removals market

Driving **operational efficiencies**

Fuel savings during taxi

Dynamic optimisation of flight paths

Investment in zero emissions ground vehicles and equipment

## Well-placed to face the costs of decarbonisation

Well-positioned for SAF mandates, with long-term partnerships

Aemetis | Lanzajet | Twelve

Strength as part of IAG with its leading sustainability approach

Unique customer base of corporate and premium leisure customers with resilient need and desire for air travel

- Business.
- Leisure.
- Strong buy.



**BRITISH AIRWAYS**

A BRITISH ORIGINAL