

Message from the NAPS Trustee: Statement regarding BA's 3rd quarter results

On Monday 16 November 2020, IAG published information on a public website for investors giving its 3rd quarter results and which includes information on financial forecasts for British Airways (BA).

The published information includes a reference to confidential discussions between the Trustee of New Airways Pension Scheme and BA.

The Trustee confirms it is considering a request from BA to defer the payment of its pension deficit reduction contributions to the New Airways Pension Scheme (NAPS), which are currently £37.5 million per month. While these negotiations are taking place, the Trustee has agreed with BA a two-month deferral of its deficit reduction contributions for October and November 2020 (a value of £75 million) supported by security over some of BA's assets. If an agreement for BA to defer more of its deficit reduction contributions is not reached, BA has committed to pay the outstanding contributions by 19 December 2020 together with the regular contribution due on the same date.

The outcome of the discussions is not yet known and the length and amount of any longer period of pension contributions deferral is still to be agreed between BA and the Trustee.

The Pensions Regulator has been informed of the discussions.

We will update members on developments as soon as we are able to do so.

Issued on behalf of the Trustee of New Airways Pension Scheme

17 November 2020