

GENDER PAY GAP

REPORT 2018

BA CityFlyer Limited is a wholly-owned subsidiary undertaking of British Airways Plc and employs 535* people. The company operates scheduled passenger services at London City Airport.

"At BA CityFlyer we embrace the benefits of a diverse and inclusive workforce and are focused on achieving a more gender-balanced airline. While there is more work to be done, we are proud that the number of female pilots working for us is industry leading, with women making up 14% of our pilot workforce."

Andrea Evans – Head of People (Acting)

At BA CityFlyer, we have a median gender pay gap of 45% which is higher than the current national median average of 17.9%. The median bonus gap is 50%.

PAY AND BONUS DIFFERENCES

	Mean	Median
Hourly pay difference	43%	45%
Bonus pay difference	51%	50%



CAUSES OF THE GENDER PAY GAP

BA CityFlyer is an airline, and pilots are our highest paid group. Although we are very proud that the number of female pilots we employ is around three times the national average, at 14%, this means that 86% of our pilots are male and this is the key factor in our gender pay gap. When flight crew are excluded from the calculations, our pay difference drops to 28%.

Our gender pay gap has increased slightly from 40.5% in 2017 to 43% in 2018 (mean) and from 42% to 45% (median). This is largely the result of a salary review in 2018 that led to pay increases across the business and in particular areas that are largely male dominated.

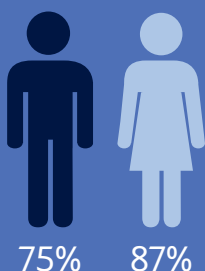
However, we saw a positive move within our flight crew community. Almost half of all pilots promoted to Captain were female and the pay gap within flight crew reduced from 16% in 2017 to 7% in 2018.

We are confident that pay is not influenced by gender. Our cabin and flight crew are on pay scales that are agreed with unions, ensuring that pay between the genders is equal.



CAUSES OF THE BONUS GAP

The mean bonus pay difference has decreased by 10% from 61% in 2017 to 51% in 2018 and the median has increased by 6% from 44% in 2017 to 50% in 2018. The gap reflects the fact that we have more men in senior and higher paid roles.



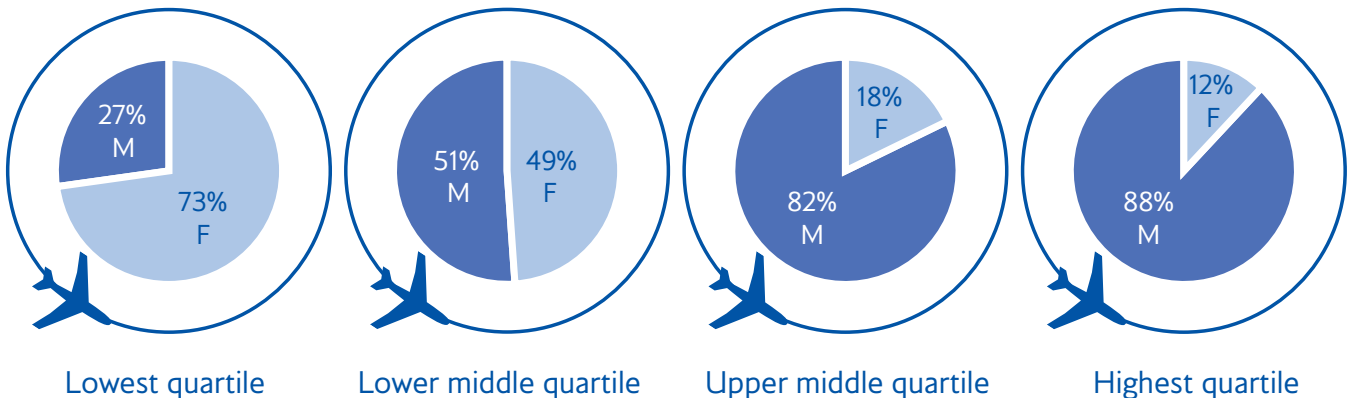
The median and mean bonus pay difference is also influenced by pro-rata bonus payments for part-time employees.

BA CityFlyer's bonus scheme has an eligibility criteria which is fair, with men and women given an equal opportunity to earn bonuses and commission. In the period reported 75% of men and 87% of women received a bonus.

PAY QUARTILES

The gender distribution across the four equal quartiles shows that even though 38% of the BA CityFlyer workforce is made up of women, there are more men in senior roles. This is the main reason for the difference in pay and bonus gaps between men and women, rather than an equal pay issue.

PROPORTION OF WOMEN AND MEN IN EACH PAY QUARTILE



HOW WE ARE ADDRESSING THESE DIFFERENCES

We are committed to tackling the gender imbalance and to building a diverse and inclusive workforce:

- Recruitment – we have used targeted advertising campaigns to attract more women to apply for positions as Pilots and in Engineering. We continue to review and monitor the diversity of our shortlisting and our advertising practices
- We have increased our involvement in the local community by raising awareness of the varied opportunities in aviation and in turn encouraging girls to develop skills in STEM (Science, Technology, Engineering and Maths)
- Talent and Development – we are committed to ensuring all talent within the business is recognised and bespoke development opportunities are available to ensure internal progression is encouraged, fair and based on merit
- Family-friendly policies – we have enhanced our approach to flexible working, enabling colleagues to improve their work/life balance. We continue to review these policies to ensure equal opportunities for all

USEFUL TERMS:

Equal pay is when men and women performing equal work receive equal pay, as set out in the Equality Act 2010.

Gender pay gap refers to the difference between men's and women's average earnings across the organisation, expressed as a percentage of men's earnings.

We confirm that the information and data provided is accurate and in line with mandatory requirements.

Tom Stoddart
Managing Director
BA CityFlyer