

GENDER PAY GAP

REPORT 2018

“Our people are at the heart of our business and are key to enabling us to offer our unique British Airways service. We aim to create an environment where everyone can perform at their best and believe that a diverse and inclusive team will enable us to achieve our vision for our customers, our shareholders and our people and make British Airways a great place to work and grow for all”.

Angela Williams – Director of People

At British Airways, we have a median gender pay gap of 13% which is lower than the current national median average of 17.9%. We are working on strategies to close the gap. The median bonus gap is 8%.

PAY AND BONUS DIFFERENCES

	Mean	Median
Hourly pay difference	39.7%	13%
Bonus pay difference	33%	8%



CAUSES OF THE GENDER PAY GAP

At British Airways, our median gender pay gap has increased from 10% in 2017 to 13% in 2018 and mean gender pay gap from 35% in 2017 to 39.7% in 2018.

The increase in the pay gap reported this year was due to the launch of a new flexible benefits scheme in April 2018, which gave colleagues an opportunity to either spend their allowance on a variety of benefits or increase their take home pay. As more male colleagues in the upper pay quartiles chose the latter option, this has caused an increase in our pay gap.

When pilots are excluded from the calculations, the median pay gap reduces to 2%.



CAUSES OF THE BONUS GAP

Men and women have the same opportunity to earn a bonus through British Airways' corporate bonus scheme. The significant increase in the bonus gap this year resulted from deferred bonus payments for pilots from 2013 and an improvement in the company's corporate bonus payout.

98% 

In the period to be reported, 98% of men and 97% of women received a bonus at British Airways. Our clear bonus guidelines mean that bonus awards are fair and non-discriminatory.

97% 

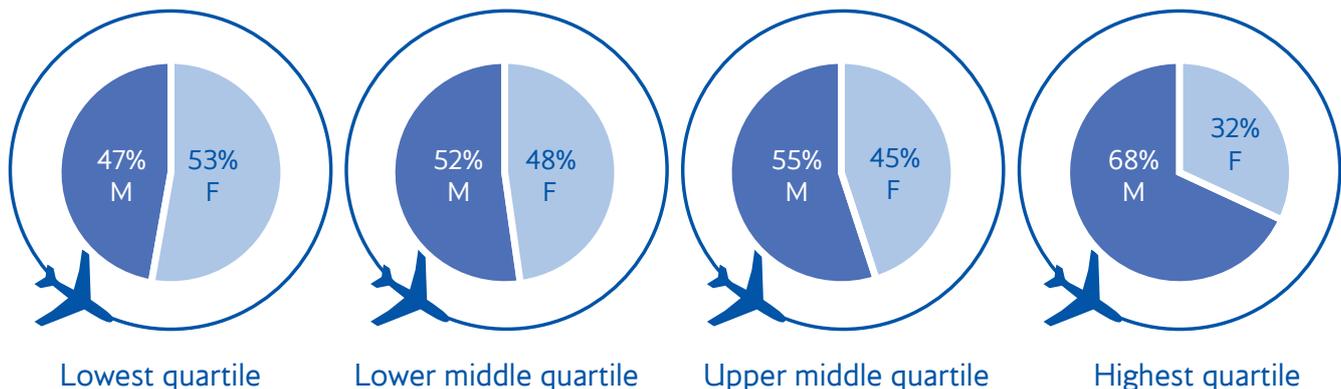
Everyone across the company is eligible to receive a bonus.

British Airways is proud to support those who choose to work on a part-time basis where possible. However, the bonus calculation does not account for the number of these part-time employees, most of whom are women, in our lower pay quartile. As the Government requires that the calculation is based on actual bonuses received rather than on a full-time equivalent basis, it is important to take this into account when considering the mean and median bonus numbers.

PAY QUARTILES

The gender distribution across our pay groups indicates that 44% of the British Airways workforce is female and that there are more men than women in senior roles. The gaps reflect the fact that there are fewer women in these roles, rather than an equal pay issue.

PROPORTION OF WOMEN AND MEN IN EACH PAY QUARTILE



HOW WE ARE ADDRESSING THESE DIFFERENCES

- We have implemented a new diversity and inclusion strategy for 2019-23, incorporating a gender stream, jointly sponsored by our People Director and Chief Commercial Officer.
- To deliver our strategy we will be focusing on increasing the profile of British Airways' women internally and externally, recognising and celebrating their roles, the role of men championing women in the workplace and increasing flexibility in our workplace.
- We have joined the 30% Club which offers cross-company mentoring to support progression of female talent through our business.
- We continue to work hard to attract more women into our pilot community. We have established a programme of 'Your Flying Future' events to inspire young people, particularly girls, to become pilots. For International Women's Day 2019, we held a special event to which we invited 100 school girls. In 2018, we operated an all-female flight to celebrate the day, involving more than 60 female colleagues.
- We have a comprehensive work experience programme to promote opportunities in aviation to our local community, and we encourage girls to choose placements that focus on the development of skills in science, technology, engineering and maths.
- We are members of career advice website Modern Muse which we use to promote our female role models especially from our pilot community. Our female pilots have contributed to interviews and a 'Day in the Life' feature on the British Airways website.
- We are collaborating with the Rugby Football Union to share insights on increasing gender balance in sport and business.

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 the data reported is accurate

Angela Williams
British Airways
Director of People

Andrew Fleming
British Airways
Company Secretary