



BA Better World

GENDER PAY GAP

REPORT 2020



GENDER PAY GAP

“We know we need to do more to create a pipeline of talent across every area of the business because that’s how we ensure that women reach leadership positions. Not only is this the right thing to do, but we also know that different perspectives, backgrounds, and experiences is a powerful force for change and makes good business sense. We want our people, at all levels, to be more reflective of the world we live in and the global communities we serve and this is a fundamental aspect of our new BA Better World programme.”

Stuart Kennedy – Director of People

At British Airways, we have a median gender pay gap of 37% which is higher than the current national median average of 15.5%. This reduces to 12%, which is below the national average, when we exclude pilots from our calculations. We are working on strategies to close the gap across the organisation.

PAY DIFFERENCES

	Mean	Median
Hourly pay difference	54%	37%
Non-consolidated payment difference	30%	3%

CAUSES OF THE GENDER PAY GAP

At British Airways, our median gender pay gap has increased from 13% in 2018 when we last reported to 37% in 2020. The mean gender pay gap has increased from 39.7% in 2018 to 54% in 2020.

The figures reported this year **are not** representative of our overall colleague population. Our median pay gap has increased due to the high percentage of colleagues who were furloughed under the Government’s Job Retention Scheme (JRS) during the Covid-19 pandemic. As per Gender Pay Reporting Guidelines, colleagues who were furloughed were excluded from the calculations as they were not classified as full pay relevant employees. Our Flight Crew (pilots), of which 94% are male, were not furloughed, resulting in an increase in our pay gap number.

A one-off non-consolidated payment based on percentage of salary was paid to several groups including pilots as part of an agreed pay deal. One of the reasons for the gap is that pilots are on high salaries and are predominately male.

During the reporting period, 86% of men and 90% of women received a non-consolidated payment

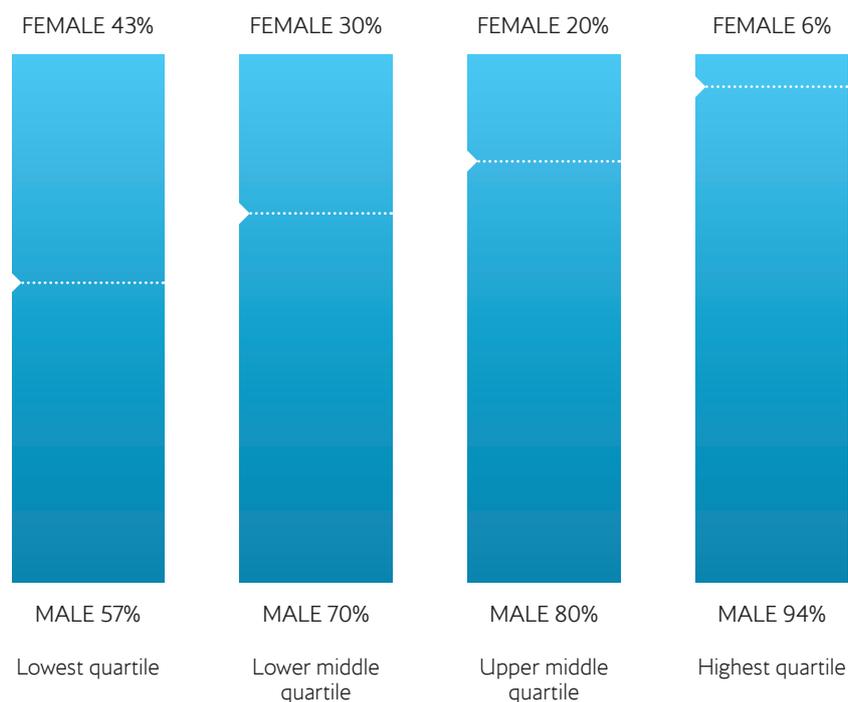




PAY QUARTILES

During the reporting period we furloughed in the region of 70% of our colleagues. Of those remaining colleagues working and included in our report, 75% were male and 25% were female, compared to 54% male and 46% female, if furloughed colleagues were included. Due to furlough, male Flight Crew made up 91.8% of the upper quartile which pushed up the overall pay gap.

PROPORTION OF WOMEN AND MEN IN EACH PAY QUARTILE



HOW WE ARE ADDRESSING THESE DIFFERENCES

The global pandemic continues to have a huge impact on the aviation industry. In 2020 travel restrictions grounded our planes which meant that British Airways had an incredibly difficult year. We understood that the Government imposed restrictions would have a long-term impact on our business, leaving us with no choice but to restructure to make the business smaller losing around 10,000 colleagues. In addition, a further 20,000 colleagues were put on furlough and in line with the guidelines are not included in the calculations.

As we emerge from the pandemic we are transforming our business with a new People Transformation Programme and a new Sustainability strategy. A key part of this is diversity and inclusion where we are clear that we have work to do to improve gender balance in some areas of our business and we have created a plan to do this.

We have taken a data driven approach to setting ambitious targets and it is clear from the data that in certain areas of the business there is an ongoing problem with the diversity of our talent pipelines. This is no surprise and we recognise that we have a role to play in inspiring the next generation of young women to choose STEM courses and career paths.



Our intention is to build the diversity of our internal pipeline, through programmes designed to inspire future talent. Internally this involves creating mentoring opportunities and support networks as well as leadership training to give colleagues the guidance and leadership they need to thrive within the business. Externally we want to inspire the next generation of leaders by working with UK schools, colleges and universities to showcase the range of careers in aviation, develop skills and boost confidence in young women and girls, highlighting their strengths and supporting future career aspirations at British Airways.

Change takes time, especially in areas that have not historically attracted women and where we have a large gender imbalance, but we are committed to supporting and driving this work forward because we believe that creating a great place to work that's diverse and inclusive and where everyone can thrive is the right thing to do for our business, our colleagues and our customers.

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.

Stuart Kennedy
British Airways Director of People

Andrew Fleming
British Airways Company Secretary