



BA Better World

BRITISH AIRWAYS
GENDER PAY GAP
REPORT 2021

GENDER PAY GAP



At BA we care deeply about emerging from the pandemic as a better, more colleague-centric business, and at the heart of how we do this is our plan for 'A Better BA' – encompassing a range of initiatives to improve the diversity of our organisation. The initial focus of this has been on gender diversity – understanding how we can increase the proportion of females in more highly paid roles. We are excited for the positive change that we can achieve.

For a long time, we have recognised the significant benefit that diversity brings to our organisation, however we are also now seeing this as a key commercial imperative – offering a wider range of experiences and perspectives and enabling better decision making.

For this reason, we have set gender diversity targets for our organisation and have broken these down to department level so that each area of the business is clear about the progress we need to make. These targets sit alongside the work we continue to do to ensure the key enablers are in place for women to progress their careers at BA.

Our gender pay gap continues to be driven by the proportion of females in pilot and senior management roles. Whilst the steps we take will help to address this inequity, I am realistic that it will take some time to fix some issues, particularly encouraging more females to join the UK pilot workforce. I am extremely positive about the steps we have taken so far, and I know that I am supported by a leadership team and business that is as committed as I am to making progress on both gender diversity and closing our gender pay gap.



Michelle Lydon
Chief People Officer



OUR GENDER PAY GAP

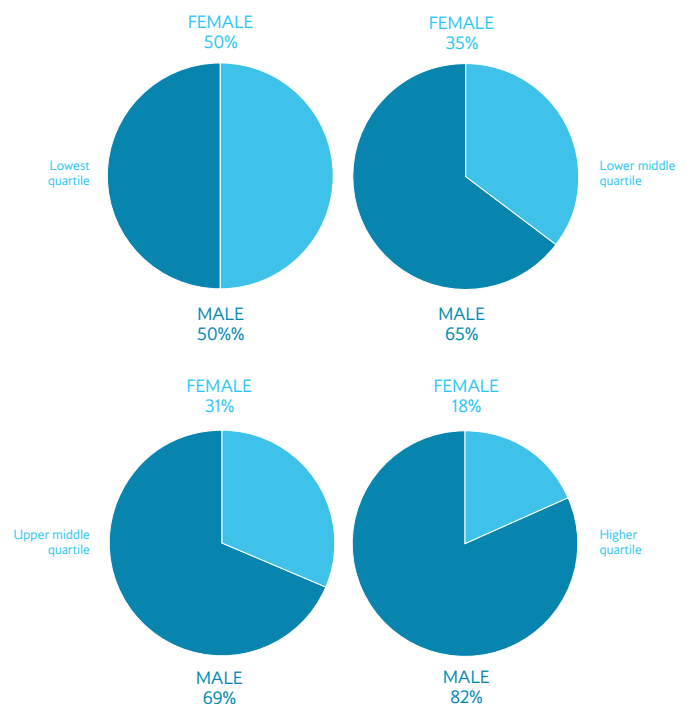
At BA our 2021 gender pay gap is:
Median 22.2% Mean 45.4%

The 2021 bonus gender pay gap is:
Median -3.3% Mean 13.5%

During the reporting period 23% of men
and 66% of women received a bonus.

In 2021 43.4% of our workforce was female.

Proportion of women and men in each pay quartile



Notes:

The gender pay gap reported this year shows a significant improvement since last year. We do not believe this improvement is representative of underlying changes in our colleague population. Instead, this change results from the high percentage of colleagues who were furloughed under the Government's Job Retention Scheme, including pilots who make up a significant proportion of the upper quartile. As per the Gender Pay Reporting Guidelines, these colleagues were removed from the gender pay gap calculations. It is likely we will see a widening of the pay gap in our next gender pay gap report, when the effects of furlough are removed.



CAUSES OF OUR GENDER PAY GAP

Our gender pay gap results from the number of pilot and senior management roles in the upper pay quartile that are currently held by men.

Whilst our pilot community is representative of the gender diversity of the UK pilot workforce, the percentage of female pilots is small in comparison to our workforce as a whole at only 6.4%

The under-representation of females in the pilot workforce is an issue across industry and is one that we will continue to address in readiness for when we next begin pilot recruitment.

Our median gender pay gap reduces to 18% when we exclude pilots from the calculations.

At present 38.2% of senior roles are held by females. We have committed to increase the number of females in senior roles by 2025.

ACTIONS TO REDUCE OUR GENDER PAY GAP

We are taking a wide range of steps to improve gender diversity at BA and to reduce our gender pay gap. Some of these initiatives will deliver benefit in the short to medium term, whereas others will require long-term effort to drive improvement, for example influencing the career choices of future school leavers.

Our actions can be broken down into the following categories:

DATA COLLECTION AND TARGET SETTING

- We have set directorate level gender diversity targets to ensure individual leaders have accountability for the diversity of their organisation
- We have launched gender diversity dashboards to provide current data, track progress and analyse talent pipelines
- We are being transparent with our diversity data and targets to drive colleague engagement
- We are re-launching our exit survey to help identify drivers of attrition and to highlight any gender biases
- We have ensured D&I questions are incorporated into our colleague survey and that results are analysed to highlight differences between male and female experience



RECRUITMENT

- Ensuring open recruitment processes for all senior roles
- We have implemented gender balanced recruitment panels for senior roles
- Gender balanced candidate shortlisting is in place for senior roles
- We are re-invigorating our careers outreach activity to promote career options where females are currently underrepresented (pilots, engineering etc.)
- We will review our pilot assessment methodology to ensure this supports our aim of increasing our number of female pilots

LEADERSHIP

- We have relaunched our leadership behaviours with a focus on inclusive leadership
- We have introduced reverse mentoring schemes for our management committee and senior leaders with colleagues from diverse ethnic backgrounds

CAREER DEVELOPMENT

- We plan to launch a diverse talent development programme to harness female talent
- We are reviewing flexible working policies and their application across the business to ensure these levers are used to promote gender diversity

SUPPORT

- We have enhanced our family leave proposition to support key life events for female employees
- We are reviewing all of our employment policies to ensure these promote our D&I objectives

NETWORKS

- We support the cross-group women's network 'Elevate'
- Establishment of a colleague support network for those experiencing symptoms of menopause



In addition to steps being taken within BA, we have been working with the wider IAG group and McKinsey to identify learnings and to identify additional measures that might contribute to our gender diversity objectives, leveraging the strength of the wider group.

By taking these steps and others, we are aiming to ensure that 40% of our senior roles are held by females by 2025. We also aim to increase the proportion of female pilots once our external recruitment programme resumes.

Our 2020 gender pay gap report was published only five months ago and, in the months since, we have made notable further progress to support gender equality at BA. We are committed to maintaining this momentum throughout 2022 and beyond, however we know this will be a long-term effort and that our focus will need to be maintained if we are to close our gender pay gap once and for all. We are committed to being open and transparent as we move forward on this journey.

APPENDIX

METHODOLOGY	The methodology used is as set out in Government Gender Pay Gap reporting guidelines (Gov.uk) and ACAS Managing Gender Pay Gap Reporting (March 2021)
SCOPE	Our subsidiaries businesses have, where applicable, reported their data separately

DEFINITIONS

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
MEAN GENDER PAY GAP	is the difference between the mean (simple average) hourly pay rate for all men in the organisation and the mean hourly pay rate for all women. It is expressed as a percentage of men's earnings
MEDIAN GENDER PAY GAP	is the difference between the median (middle) hourly pay rate for all men in the organisation when ordered from lowest to highest, and the median hourly pay rate for all women in the organisation when ordered from lowest to highest. It is expressed as a percentage of men's earnings
BONUS GENDER PAY GAP	is the difference between the mean (simple average) value of bonuses for all men in our organisation and the mean value of bonuses for all women. It is expressed as a percentage of the mean bonus for men
PAY QUANTILES	are calculated by taking all the hourly pay rates, from lowest to highest, for all men and women and dividing them into four equal sections of 25% - lower, lower middle, upper middle, upper

We confirm the data reported is accurate.

A handwritten signature in black ink, appearing to be 'MLydon', with a long horizontal flourish extending to the right.

Michelle Lydon
British Airways Chief People Officer

A handwritten signature in black ink, appearing to be 'AFleming', with a large circular loop at the end.

Andrew Fleming
British Airways Company Secretary