GENDER PAY GAP

Gatwick Ground Services (GGS) Limited is a wholly owned subsidiary of British Airways Plc and employs 281* people. The company provides ground handling and aircraft cleaning services for British Airways at Gatwick Airport.

“GGS was formed in November 2016 and committed to becoming a highly effective, resilient operation through investment in people. We understand that people are the key to our success and therefore our primary business objective is to be the employer of choice”.

Mark Gower, Managing Director

The national median average pay gap is 18.1% in favour of men. At GGS, we have a median gender pay gap of -9% and a mean pay gap of -11% in favour of women.

GGS does not have a bonus gap to report as no bonuses were awarded to either male or female employees in the period between 6 April 2016 and 5 April 2017.

PAY AND BONUS DIFFERENCES

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hourly pay difference</td>
<td>-11%</td>
<td>-9%</td>
</tr>
<tr>
<td>Bonus pay difference</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

A negative number means the gap favours women

CAUSES OF THE GENDER PAY GAP

GGS provides services to the airline industry which primarily includes duties on the ground such as baggage loading, so the workforce is predominantly employed in industrial airside roles. As it has typically been difficult to attract women into these roles, GGS’s current workforce consists predominantly of male employees and only six per cent of the overall employee population is female. However, the majority of these female employees are employed in our more skilled, senior and management roles attracting higher banded salaries. This is driving the mean and median pay differences in favour of women as shown above.

We strive to be an equal opportunities employer and therefore pride ourselves on a transparent recruitment process in order to encourage diversity across the organisation.

For the majority of our employees, salaries are agreed collectively with unions and we are therefore confident that there is complete gender neutrality of pay within our grades.

* as reported on 5 April 2017
PAY QUARTILES

Given that only six per cent of GGS's workforce is made up of women, the gender distribution across the four equal pay quartiles shows that there is a significant over-representation of men at all levels (with no women at all in the lowest quartile). However, as shown below, the majority of the female employees are working in our more senior and higher banded roles. This is therefore the key driver for the overall difference in average pay between men and women.

PROPORTION OF WOMEN AND MEN IN EACH PAY QUARTILE

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Women (%)</th>
<th>Men (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest quartile</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Lower middle</td>
<td>1%</td>
<td>99%</td>
</tr>
<tr>
<td>Upper middle</td>
<td>6%</td>
<td>94%</td>
</tr>
<tr>
<td>Highest quartile</td>
<td>19%</td>
<td>81%</td>
</tr>
</tbody>
</table>

HOW WE ARE ADDRESSING THESE DIFFERENCES

• We are conscious of the gender imbalance within our organisation and are committed to building an inclusive workforce. We want to attract a diverse range of candidates to apply for all roles within the business. In particular, we are eager to encourage more women into industrial airside positions, which make up the majority of the roles at GGS.

• As a new organisation we are continuing to develop our family-friendly workplace policies for all employees. We support and process flexible working requests and incorporate these into the business wherever practicably possible.

• GGS has a high level of retention across both male and female employee populations at all levels in comparison to similar organisations.

• The organisation continues to support internal development and where possible recruit and promote internally, assisting progression through the 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. The gender pay gap in the UK is 18.1%.

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

Signed