

GENDER PAY GAP

REPORT 2017

BA CityFlyer Limited is a wholly owned subsidiary undertaking of British Airways Plc and employs 502* people. The principle activity of the company is flying scheduled passenger services at London City Airport.

"We are committed to diversity in our workforce and are proud to be industry leading with women making up 15 per cent of our pilot workforce. We know we can't stop there – we must work hard to further improve gender diversity, in particular across senior management, engineer and pilot roles. It is a journey, not a quick fix, for our industry as well as our company."

Caroline Osler - Head of HR

At BA CityFlyer, we have a median gender pay gap of 42% and a mean gender pay gap of 41%.

The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation. It is expressed as a percentage of men's earnings.

The average gender pay gap in the UK is 18.1%

PAY AND BONUS DIFFERENCES

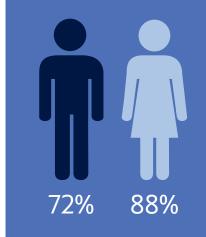
	Mean	Median
Hourly pay difference	41%	42%
Bonus pay difference	61%	44%

UNDERSTANDING OUR PAY DIFFERENCE

The airline industry has traditionally been male dominated and 61 per cent of BA CityFlyer's workforce is male. Pilots are our highest paid group, and when flight crew are excluded from the calculations, our pay difference drops to 26 per cent. We are confident that pay between comparable employees within grades is not influenced by gender. Our cabin crew and flight crew are on pay scales that are agreed with unions, meaning that pay between the genders is equal.



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UNDERSTANDING OUR BONUS DIFFERENCE

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

BA CityFlyer's bonus scheme has an eligibility criteria which is fair, with men and women having an equal opportunity to earn bonuses and commission. In the period to be reported 72 per cent of men and 88 per cent of women received a bonus.

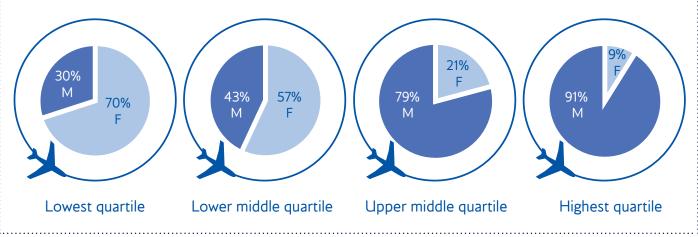
* as reported on 5 April 2017 Gender Pay Report 2017



PAY QUARTILES

The gender distribution across the four equal quartiles shows that even though 39 per cent of the BA CityFlyer workforce is made up of women, there are more men in senior roles. This is a key driver for the difference in pay and bonus gaps between men and women, as opposed to 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. To do this we will be concentrating on three key areas:

- Recruitment encouraging more women into pilot and engineering roles by working with local communities, ensuring our third party recruitment partners provide diverse shortlists and reviewing our advertising practices
- Development building a mentoring programme to inspire women and to support their progression into more senior roles alongside employees of all genders and backgrounds
- Family-friendly policies reviewing our policies and flexible working options to promote equal opportunities to all our colleagues

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.

Signed Ada Kasan