

BRITISH AIRWAYS GENDER PAY GAP REPORT 2022



"Inclusion and Diversity are at the heart of our strategy to transform our business and become a better BA. We know diverse teams embedded in an inclusive culture always create better results, and we're driving change forward through a number of initiatives and by setting clear, stretching targets. One of these is to achieve equal representation of women in senior leadership roles by 2030, or sooner.

Although we're proud to employ among the largest population of female pilots of any airline in the UK, our pay gap is largely driven by the fact the majority of our pilots are male. We're continuing to work on initiatives to drive systemic long-term change and are focusing on how we build our talent pipeline and attracting, recruiting and retaining women in leadership and STEM areas (Science, Technology, Engineering and Mathematics)."



Lisa Tremble, Chief Corporate Affairs and Interim Chief People Officer

OUR GENDER PAY GAP

In 2021 we had a Mean gender pay gap of 45% and a Median of 22%. In 2022, our gap moved to a Mean gender pay gap of 67% and a Median of 32%*.

Across the airline, almost 50% of our colleagues are female (48%) and we have achieved almost equal representation in junior management roles (49% female).

2022 HOURLY PAY DIFFERENCE		
	MEAN	MEDIAN
ALL STAFF	67%	32%
EXCLUDING PILOTS	17%	18%

Our gender pay gap is driven by the representation of women in specific areas, for instance, when pilots are excluded from our pay gap figures, our Mean gap reduces to 17% and Median, 18%. These figures are close to the national average.

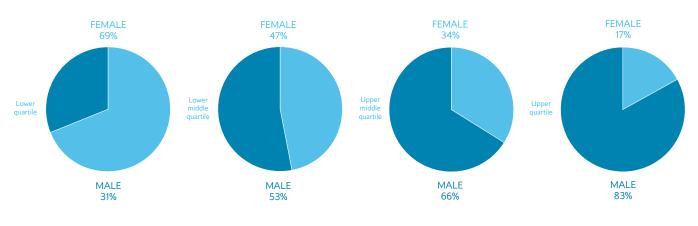
Note: BA made a non-consolidated payment to some of its employees in March 2022. This has been treated as 'ordinary pay', rather than 'bonus pay', so falls outside our snapshot period of April 2022. When analysing the non-consolidated payment in isolation, the median gender gap is 56% and the mean gender gap is 61%. This data is provided on a voluntary basis and relates to a non-consolidated payment that was made in March 2022. The main reasons for the median & mean gaps are due to the higher percentage of female cabin crew in comparison to the higher percentage of male Pilots, who are on higher salaries in comparison to cabin crew. The non-consolidated payment was paid as a percentage of salary rather than a fixed amount.

*We are unable to draw a direct comparison between these years as in 2021 a significant proportion of our workforce was not included in the analysis due to high numbers taking part in the Government's JRS scheme (furlough).

We are reporting on 23,729 employees using a snapshot date of 5 April 2022.

BRITISH AIRWAYS GENDER PAY GAP REPORT 2022





PROPORTION OF WOMEN AND MEN IN EACH PAY QUARTILE

CAUSES OF THE GENDER PAY GAP

Our gender pay gap remains driven by the high percentage of male pilots in the upper pay quartile. Although 6.4% of our pilot community is female, which is higher than the UK industry pilot workforce (4%) it is clear that the lower percentage of female pilots is driving our pay gap. This is an issue experienced across the aviation industry. When pilots are excluded from our pay gap figures, our Mean gap reduces to 17% and Median 18%. These figures are close to the national average.

OUR BONUS PAY GAP

Our Mean bonus pay gap was 55% and Median 87%.

CAUSES OF THE BONUS PAY GAP

Our bonus gaps are predominantly driven by gender representation across different groups and a deferred bonus payment received by pilots.

One of the reasons for the bonus pay gap is driven by the reporting requirement to include nominal value commission received by cabin crew and a performance payment received by customer experience representatives of which in both groups there was a higher percentage of women who received these payments and therefore this means they occupy the lower quartile of bonus payments. In addition, our Contact Centre colleagues received a performance payment where those receiving the payment were mostly men due to the gender representation in those roles.



CAUSES OF THE BONUS PAY GAP - CONTINUED

Pilots received a deferred bonus payment from 2018 which was paid in 2022. There is a low representation of women in pilot roles and therefore there are more men who received these payments and are occupying the upper quartile of bonus payments. When pilots, cabin crew and customer experience representatives are excluded, our Mean bonus gap reduces to 40%, and our Median to 32%. The remaining bonus gap is predominantly driven by our management bonus. In 2022 a reward payment was made to our colleagues who are in management grades as a percentage of salary and the percentage was equal across genders and therefore, it is gender representation in our most senior leadership roles driving this gap.

HOW WE ARE ADDRESSING THESE DIFFERENCES

It is important to note that pay for operational roles such as our pilots, cabin crew and engineers are collectively agreed with trade unions, and we have a pay framework that is applied equally regardless of gender. Therefore, the main driver of the pay gap is representation in our workforce, which is an industry wide issue.

We are committed to addressing our gender pay gap through significant change and positive action to attract and recruit more women as pilots, as well as into the STEM careers we offer.

INDUSTRY & STAKEHOLDER COLLABORATION

The entire UK aviation industry faces the same challenge, and we're working across the industry to understand how we can remove barriers and encourage women to enter the profession as well as improving flexibility to ensure that this is a viable career choice for them.

RECRUITMENT AND OUTREACH

Our main challenge is encouraging women to consider a career as a pilot. The number of women who applied for a role as a pilot in our most recent recruitment campaign was just above industry average and of the total candidates who were successful, 9% were women, which is above the percentage of female pilots in the industry.

One of our biggest areas of focus is working with schools and universities to encourage young women to consider a future career as a pilot. We do a significant amount of outreach by attending schools to share information on careers in aviation as well as supporting 10,000 students from diverse backgrounds through Speedbird Z, our student engagement platform.



REDUCING ECONOMIC BARRIERS TO ENTRY

One of the main challenges to entering the pilot profession is the prohibitive cost of obtaining qualifications and training. We are actively working on evaluating and broadening our entry pathways with a focus on gender and ethnicity representation.

We currently partner with Fantasy Wings, an organisation focused on supporting women and students from an ethnic minority background to pursue careers in aviation. Through our British Airways Community Fund, we sponsor placements for 300 students on Fantasy Wings programmes to support them to achieve roles in the aviation industry. We also have a longstanding partnership and provide funding to the Air League, a charity focused on changing lives through aviation. Each year many people benefit from Air League support to help them start a career in aviation, breaking down barriers to the industry through scholarships and support programmes.

LEADERSHIP REPRESENTATION

We're also focused on ensuring 40% of our senior leadership roles are held by women by 2025, rising to 50% by 2030. We're making progress. In 2022, in our most senior level leadership roles, we reached 38%**.

We have open recruitment processes with gender balanced recruitment panels for all senior roles, and have introduced an anti-bias tool to ensure our job adverts are attractive and inclusive to all prospective colleagues, regardless of background.

We are introducing more flexibility to help colleagues manage their work life balance, which helped us to retain and support them to progress their careers through a flexible environment. Our new family leave benefits were launched in April 2022, which has helped us to retain many more new parents.

We are focused on addressing inequality and are launching an Inclusion & Diversity strategy to address Inclusion and representation across all under-represented groups. We are committed to addressing the Gender Pay Gap through recruitment, policies, learning & development, communication, awareness and engagement. While we recognise we have much more work to do, we are committed to change.

** It is important to note that the legislative requirements are binary in regard to gender (specifying female compared to male). Whilst we are reporting our statistics in the manner set out by law, we recognise and support all gender identities.



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 a a percentage of the mean bonus for men	
PAY QUARTILES	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, lowe middle, upper middle, upper	

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

Lisa Tremble Chief Corporate Affairs and Interim Chief People Officer

Andrew Fleming British Airways Company Secretary