## Gender and ethnicity pay gap report 2024

### Heathro



Equality, diversity, and inclusion (ED&I) is a critical part of our business strategy

Our Vision is 'To be an extraordinary airport, fit for the future'. To me, extraordinary means a place where you experience something you can't experience somewhere else. A key element of us achieving this is creating the right inclusive culture where diverse colleagues can thrive, being themselves to enable the successful delivery of Heathrow's vision with a true sense of belonging.

So, making progress on our inclusion agenda to make Heathrow a great place to work remains a strategic priority - and improving our pay gap is an important step within that agenda.

It's great to see positive change within our 2024 report. I'm pleased that we're seeing an overall increase in our female representation for the first time in several years with 41% of colleagues now female. However, we have seen a slight decrease in females at a senior level so it's important this remains an area of focus for us into 2025.

I'm also happy to report a decrease in our median ethnicity pay gap. This positive change is attributed to the increased number of colleagues from Black, Asian, minority ethnic backgrounds, advancing into middle management roles, a testament to our internal progression agenda. Overall, our ethnicity representation remains strong, making up 52% of colleagues across the whole organisation. It's essential that we continue to strive to help colleagues from these backgrounds grow and develop their careers.

**OUR PROGRESS** 

Whilst we have continued to see improvement over the last year, we wish to progress further. As a result, Heathrow's leadership team have set clear actions against the long-term targets and have clarity on what more we need to do. And, for the first time we have introduced an inclusion target, which means while we remain committed to improving representation, we are now measuring our progress on how we are creating the right inclusive culture.

We want leaders to drive the necessary changes and therefore I'm delighted to see the launch of our diversity and inclusion programme to build stronger leadership capability. And, with the implementation of new metrics tied to our incentive plan, we are driving accountability across our leadership teams.

I know that the action-led approach and ambitious goals will continue to drive positive change and make Heathrow a great place to work.



Declaration: I confirm that the information in this report is accurate and prepared in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Thomas Woldbye Chief Executive Officer

To be an ordinary extraordinary airport, the







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## What is a pay gap?

### What is a pay gap?

A pay gap is not the same as equal pay where everyone who does a job of equal value must earn the same pay.

Pay gap reporting looks at all jobs and all rates of pay, and makes comparisons between the average pay for different groups of colleagues. It tells you whether some groups of colleagues typica earn more or less than other grou

A pay gap report makes the differences clear. The pay gap report shows us how much more we need to do in order to create a Heathrow that really does give everyone an equal chance of success.

### How do we calculate the gap?

qual a e	We have used the same methodology to calculate our ethnicity pay gap as our gender pay gap reporting.			
ne s ner cally oups.	<ul> <li>Median pay gap</li> <li>Imagine lining up all our colleagues in a row in order of their hourly pay rate – lowest at one end, highest at the other. The median hourly pay is what the colleague in the middle of the row earns.</li> <li>We can do the same imaginary line-up to give us the median hourly pay for smaller groups of colleagues e.g. Male, Female, White and Black, Asian and Minority Ethnic. If we find a difference between two groups, that's the median pay gap.</li> </ul>	Lowest paid	Median	Highest paid
re e	<b>Mean pay gap</b> 'Mean' is another word for 'average'. The mean hourly pay of a group of colleagues is their average hourly pay. To find it, we add up all their hourly rates and divide the total by the number of colleagues in that group. Once again, if we find a difference between two groups, that's their mean pay gap.	Ŕ	Average hourly pay	<b>F</b>
	Putting colleagues into quartiles Let's go back to that long line of Heathrow colleagues arranged in order of their hourly pay rates. If we start counting them from the lowest-paid end and we break the line into four equal-sized groups, we'd get what's known as four pay quartiles – the four equal-sized sections of a line arranged in order of their rates of pay. We can then look at the make-up of each quartile to tell us whether we have more Male, Female, White or Black, Asian and Minority Ethnic colleagues in higher or lower-paid quartiles.	1		4









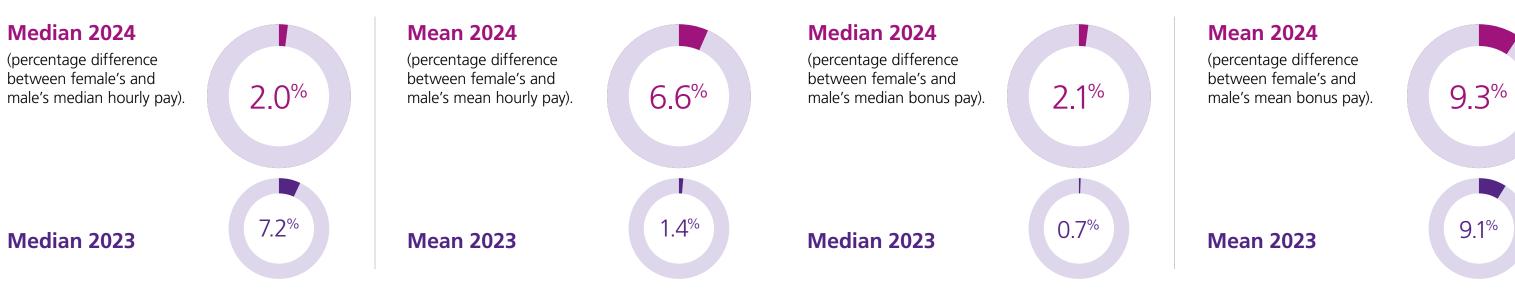
**OUR 2024** GENDER PAY GAP

**OUR 2024 ETHNICITY PAY GA** 

# 2024 gender pay gap

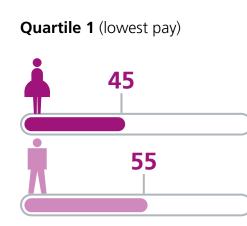
### Gender pay gap

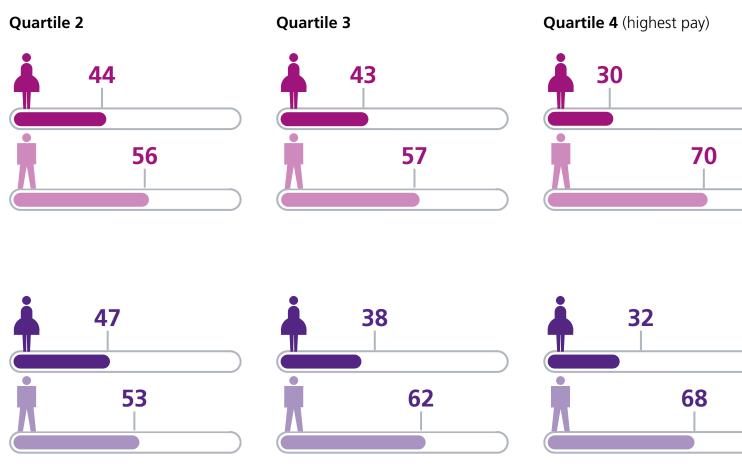
The percentage by which female's pay varies against male's pay.

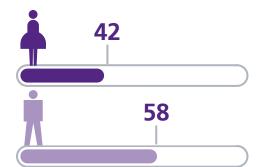


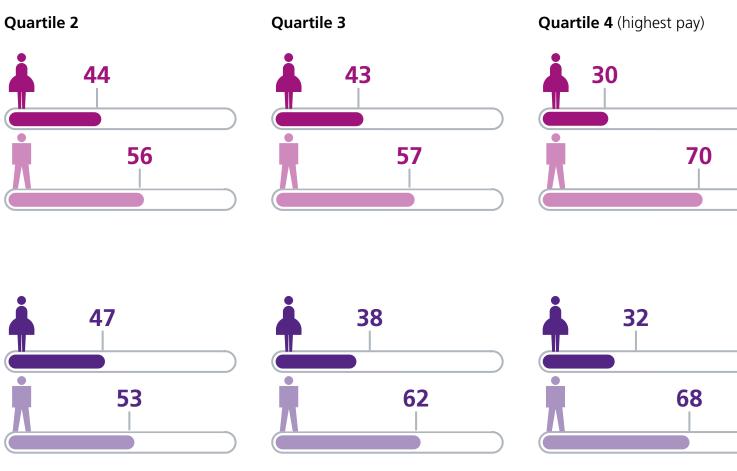
### Our pay quartiles

Proportion of females and males in each quartile.

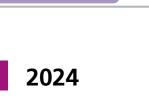














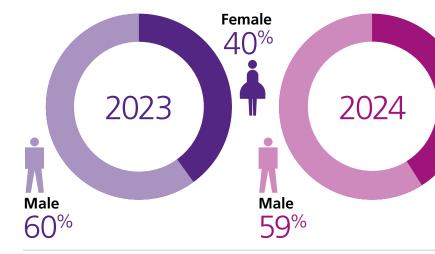
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**OUR PROGRESS** 

### **Gender bonus gap**

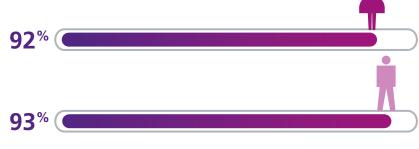
Percentages of females and males who received a bonus.

### Representation



### **Bonus payments**

Percentages of females and males who received a bonus.







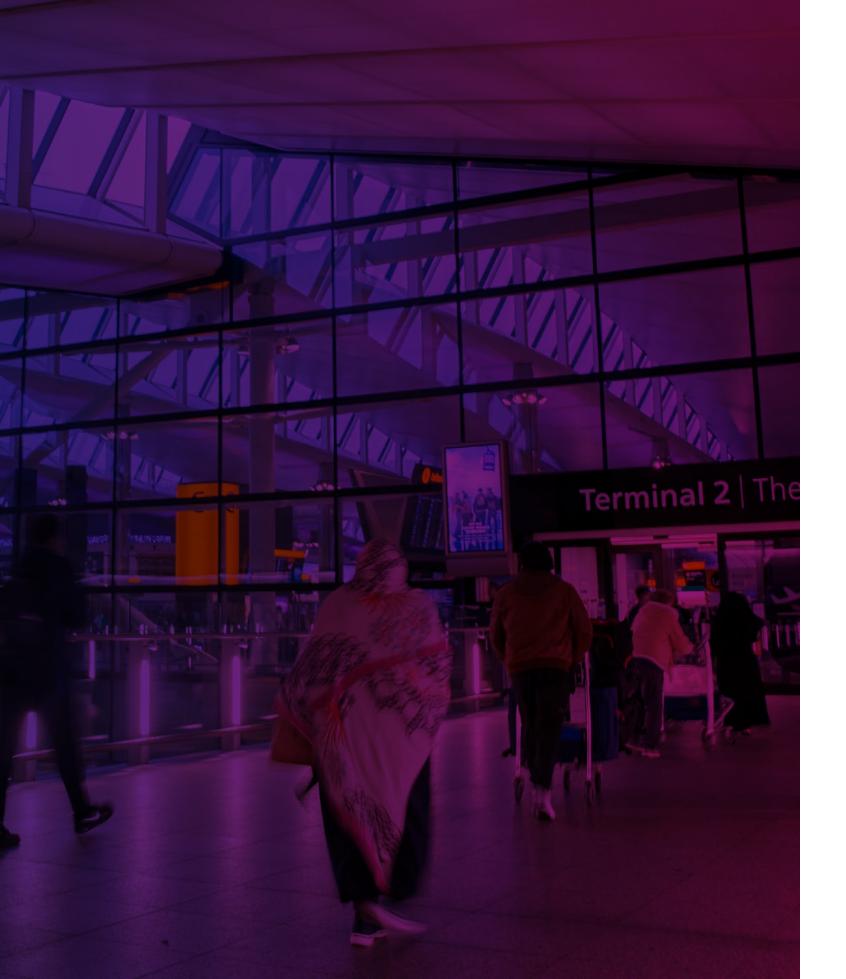




**OUR 2024 GENDER PAY GAP** 

**OUR 2024 ETHNICITY PAY GAP** 

## 2024 ethnicity pay gap



### Ethnicity pay gap

The percentage by which Black, Asian and Minority Ethnic pay varies against White pay.

#### Median 2024

(percentage difference between White and Black, Asian and Minority Ethnic colleagues' median hourly pay).

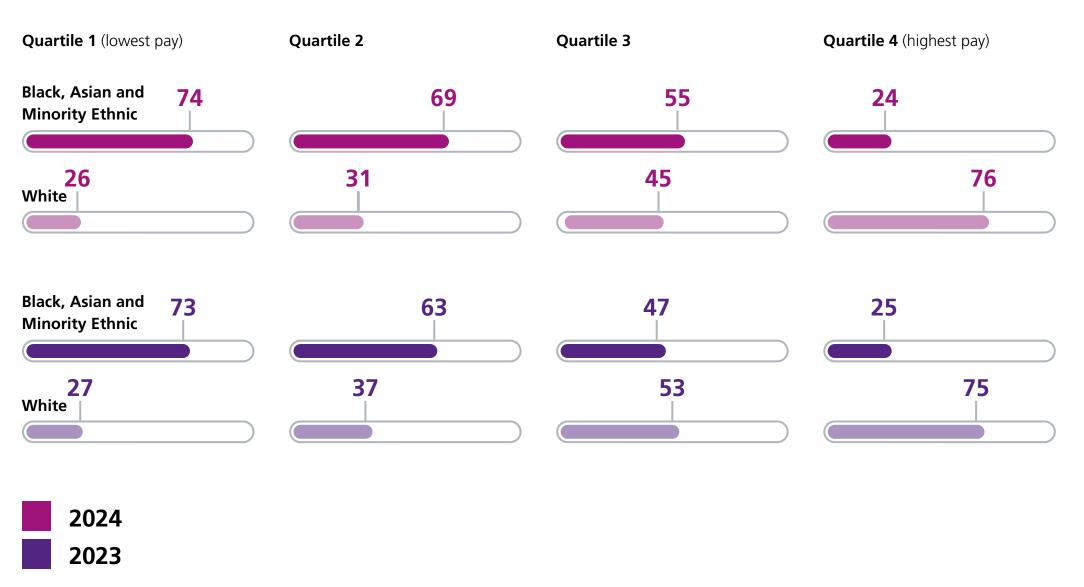


Median 2023

24.0%

### **Our pay quartiles**

Proportion of Black, Asian and Minority Ethnic, and White colleagues in each quartile.



**OUR PROGRESS** 

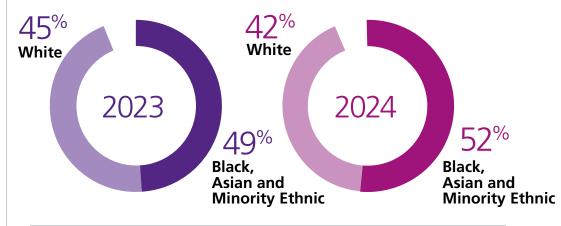
**CREATING AN INCLUSIVE ORGANISATION FOR ALL, BEYOND GENDER AND ETHNICITY** 

### **Ethnicity bonus gap**

The percentage by which Black, Asian and Minority Ethnic colleagues' bonuses vary compared to White colleagues' bonuses.

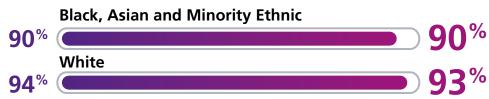


### Representation



### **Bonus payments**

Percentages of Black, Asian and Minority Ethnic, and White colleagues who received a bonus.







## How our gender and ethnicity pay gaps changed in 2024

### **Gender pay gap**

The gender balance across Heathrow has seen a positive shift in 2024 with 59% male and 41% female. This is a 1% increase of female representation since 2023.

Our median gender pay gap has improved, reducing from 7.2% to 2% driven by an improvement in female representation in the third pay quartile.

The mean gender pay gap has increased from 1.4% to 6.6% driven by a decrease of women in director roles.

> Median 2023 7.2%

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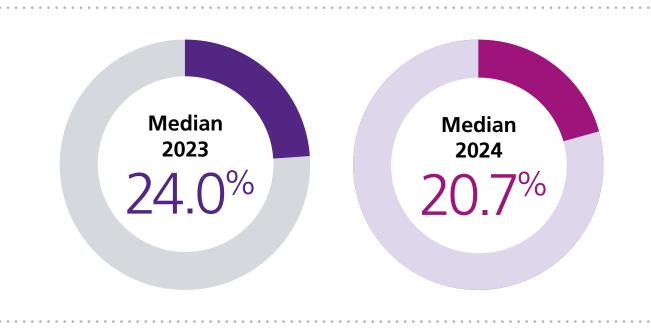
**OUR PROGRESS** 

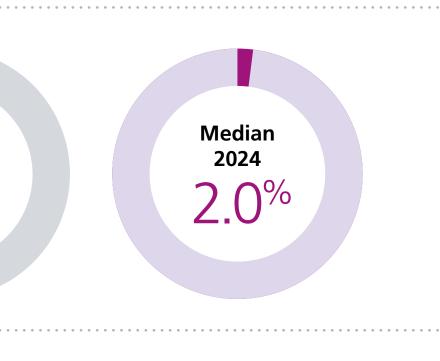
### **Ethnicity pay gap**

Across all colleagues included in the calculation, representation is 52% Black, Asian and Minority Ethnic and 42% White (6% Undisclosed), with only 24% of colleagues in the highest paid quartile being Black, Asian or Minority Ethnic. This means that diversity exists at Heathrow, however, it is concentrated around our operational front-line roles, and those within the lower pay quartile.

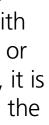
Heathrow's median ethnicity pay gap has decreased by 3.3% to 20.7% driven by an improvement in Black, Asian and Minority Ethnic representation in the third pay quartile.

The mean ethnicity pay gap has increased from 21.5% in 2023 to 25.2% in 2024, due to a greater increase in Black, Asian and Minority Ethnic colleagues in negotiated grades than in management.





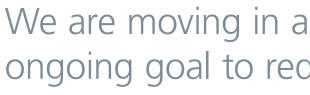








## Our progress updates



### **Building foundations**

We have strengthened our family friendly policies to make them more inclusive and as part of this we increased our offering as follows:

- maternity pay by 6 weeks half pay (in addition to 20 weeks full pay);
- paternity leave to 4 weeks at full pay; and
- shared parental leave to 4 weeks full pay.

We introduced a range of learning and guidance documents to help colleagues better understand our policies and to support them being applied consistently and fairly. This has included a series of webinars to help line managers create more empathy and have supportive conversations.

This has also included more support and guidance for those colleagues who might have caring responsibilities.

We have focussed on building awareness, understanding and empathy around key issues that affect women in the business. This has been done through a range of menopause learning sessions for colleagues and line managers, a Women's Health Festival focussed on destigmatising women's health issues, and a webinar on polycystic ovarian syndrome. In 2024, Heathrow was the first UK airport to become an Endometriosis Friendly Employer and has delivered a range of educational sessions on endometriosis.

As well as more support for those colleagues with families, we have launched and created a brand-new reasonable adjustments policy and provided more guidance and support for all colleagues. We have created bitesize learning and simplified the process around raising reasonable adjustments.

Our updated Heathrow 2.0 agenda provides stronger clarity on the work we need to do to help us represent the diversity of our local community within our organisation and we have a strong action plan to work towards those targets within Heathrow 2.0.

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**OUR PROGRESS** 

We are moving in a positive direction, our long-term data shows that we remain dedicated to our ongoing goal to reduce the pay gaps even more. Our current figures for these are highlighted below.

### **Creating career fulfilment**

We have created a suite of career support tools for our colleagues offering support through a range of options, from a career's hub offering online guidance through to individual mentoring. Our mentoring programme continued to grow over 2024, with over 600 colleagues now signed up as either a mentor or mentee.

In November 2023 we launched our career champions programme which offers colleagues access to support in their career development. Helping to grow our colleagues' careers, we have seen over 300 conversations happen. These conversations support colleagues to create development plans, improve understanding of broader opportunities and putting into practice interview skills. Colleague feedback has been really positive with some seeing growth opportunities since their conversation.

Quote from colleague:

Thank you for providing such a valuable opportunity for employees to engage in meaningful career discussions.







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## Our progress updates

### **Developing an inclusive organisation**

The guided commitment e-learning and supporting campaign inspires action towards inclusivity across all areas of Heathrow.

All colleagues are required to complete this learning to better understand Heathrow's goals around ED&I and to also help them understand the role they need to play in creating the right inclusive culture.

The learning module which has a rating of 4.7 stars out of 5 and has been completed by 6,756 colleagues and has received positive feedback such as:

> Hey - just did the right where I belong training. Thought it was brilliant, loved the bits where you can put in your own reflections and commitments. Great job!

triumph! Love it!

Hey! Just want to say the ED&I course is a

I thought the above training was fantastic, really well put together, thought provoking with some very helpful materials. 

Starting in September 2024 all our senior leaders in the business will be going through ED&I development to help them build their capability to become better inclusive leaders. This will run through to February 2025.

### **Amplifying our colleague voice**

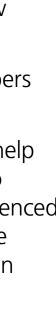
We have seen a 14% increase in our engagement survey on our inclusion question – colleagues believe Heathrow is inclusive for all – which now stands at 70%.

Our five diversity networks are expanding with now over 2,100 members across all networks.

Our networks continue to engage with colleagues on key topics and help to raise awareness and educate. They also play a key role in helping to influence and drive real change. In the past 12 months they have influenced policy and guidance through collective voice and have helped to shape solutions. All are supported by Director Sponsors who play a key role in helping to raise awareness and drive accountability for change.

We completed our first ever Inclusion & Wellbeing survey which gave us a deeper insight into how colleagues are feeling about these topics. Around 2,000 colleagues completed the survey with 57% saying they feel a sense of belonging.





#### **OUR 2024** ETHNICITY PAY GAP

# **Our** progress plans for 2025















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### **Building Foundations**

We will continue to drive consistent application of policies to help ensure colleagues have a positive experience that creates a strong sense of belonging. This will be done by promoting the guidance and ensuring line managers are equipped to provide colleagues with the best support.

All our policies will continue to be reviewed and refreshed regularly to make sure they are still relevant and inclusive.

We will continue to push out webinars and digital learning for managers on key topics that are important to colleagues and ensure all colleagues are aware of how to create an inclusive culture.

We will continue to use data to help make informed decisions and create the right plans. This data will also help us create targeted action plans at a functional level and help us to focus on where our biggest gaps are.

### **Creating career fulfilment**

We will ensure there are clear opportunities for anyone working at Heathrow to develop and progress their career. As well as trialling reverse mentoring, we will support emerging talent through apprenticeships, internships, and graduate schemes.

We will further support the career development of entry level colleagues by continuing our career champions programme and by supporting colleagues in their career development.

We will shape and embed improved diverse recruitment practices which will upskilling hiring managers, diverse shortlists for some roles, and ensuring we are clear on our attraction strategy to attract those from a diverse workforce.

We will continue to run both the career champions programme and also the mentoring programme for on-going career development for all colleagues.

We want to ensure that Heathrow is an organisation that is attractive and welcoming to a broad range of diverse talent and have launched a campaign to share insights, colleague experiences and career journeys through our 'No place like Heathrow' social campaign.

### **Developing an inclusive organisation**

Our leadership capability is a key element of our ED&I plans. We want all our leaders to be able to value and embrace difference and to lead in an inclusive manner.

2025 will see the roll out of our refreshed mandatory learning. This will be refreshed to ensure it remains relevant to support colleagues driving inclusive behaviours.

And we're keen to make sure all our processes that are in place to support our colleagues are as equitable as possible. In 2025 we will carry out a review of these to ensure we can drive an inclusive culture and Heathrow is a great place to work for all colleagues.

### **Amplifying our colleague voice**

Continue to use the colleague voice data we have established to help create tailored plans and to help ensure we are targeting areas that need it.









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**OUR 2024** ETHNICITY PAY GAP

### Creating an inclusive organisation for all, beyond gender and ethnicity

We are acutely aware that this report predominantly focuses on gender and ethnicity; however, as outlined in Heathrow 2.0 we have plans to create an inclusive environment for all colleagues.

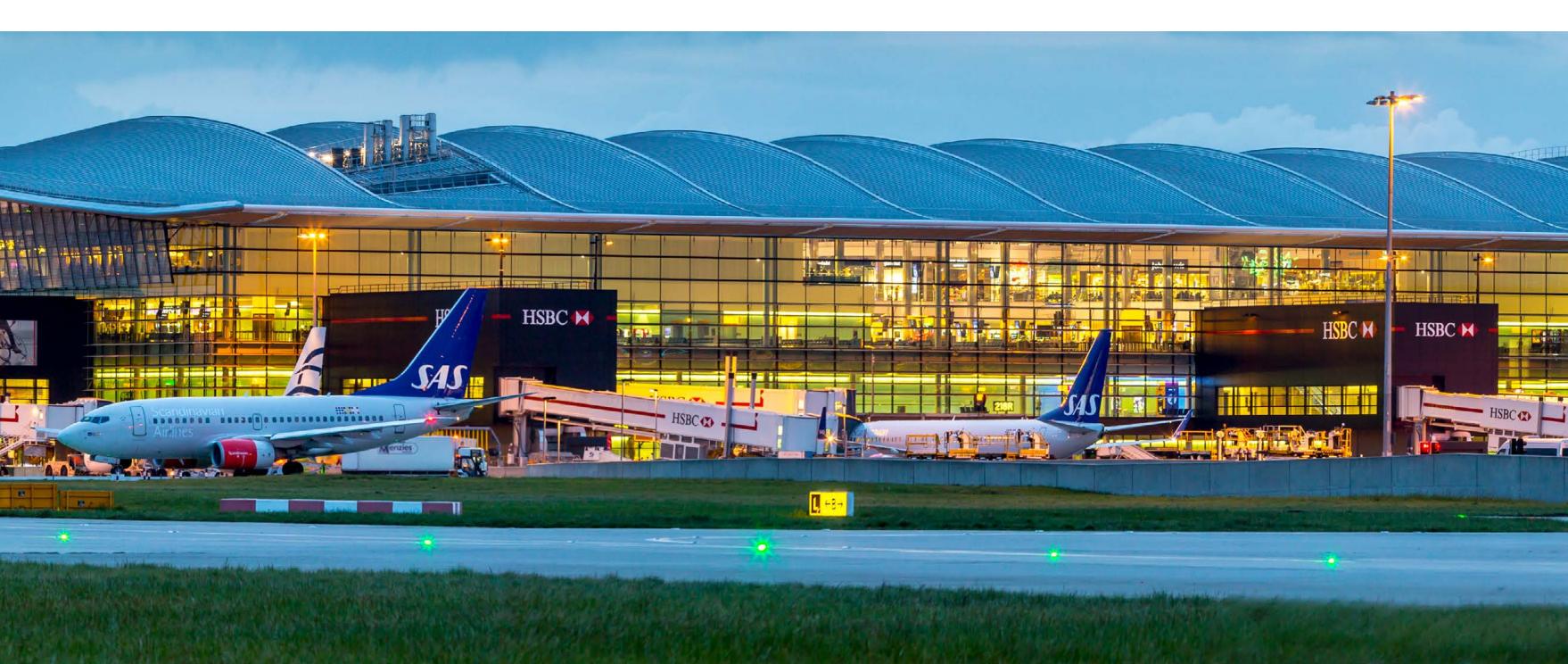
HOW OUR GENDER AND **ETHNICITY PAY GAPS CHANGED IN 2024** 

**OUR PROGRESS** 

**CREATING AN INCLUSIVE ORGANISATION FOR ALL, BEYOND GENDER AND ETHNICITY** 

We continue to make progress on collecting wider diversity data and encourage our colleagues to disclose characteristics such as whether they have a disability or their sexual orientation with us.

We also acknowledge while this report takes a binary approach to gender and uses the term Black, Asian & Minority Ethnic, we know these terms are imperfect and do not represent the full identities of many of our colleagues.





### Closing statement

A crucial part of our success in reducing pay gaps is based on acting upon colleague voice and feedback. Our five diversity networks each play a key part in helping us to better understand colleague voice and what actions need to be taken. The Co Leads of these networks have shared why the pay gap is important to them and some of the key messages they are hearing.

HOW OUR GENDER AND

**ETHNICITY PAY GAPS** 

**CHANGED IN 2024** 

We are really pleased to see progress being made on Heathrow's gender pay gap. It's encouraging that the median for gender continues to decrease; however, we still know there is more work we need to do as a business in terms of representation and retention, particularly at more senior levels. This year we have seen an immense amount of work to destigmatise women's health issues in the workplace, to support the progression of female colleagues and to work in our communities to ensure that the gender pipeline of local talent into Heathrow is strong. We look forward to working with the business to build on this great work and to continue to see improvements year-on-year to this critical metric. Improving the gender pay gap isn't just about fairness; it's about valuing every individual's contribution and ensuring that everyone has the opportunity to thrive and succeed, regardless of gender.

### Jess Bostock and Emma Brooks,

Co-leads of the Altitude network



Altitude Gender Equality Network

We are extremely proud of the breadth of diversity at Heathrow. It is encouraging to see just over half of all colleagues (52%) identify as Black, Asian or from an Ethnic Minority group. We are pleased to see a reduction in the median ethnicity pay gap, as a significant proportion of colleagues from an ethnic background, progress into middle management roles. Whilst diversity is prevalent, we understand more work needs to be done, as only 24% of colleagues who identify as Black, Asian or Ethnic Minority are within the highest paid quartile. Representation and progression are at the core of our mission and as a network, we will continue to support our colleagues by understanding the barriers they face and actively working with the business to overcome them. We look forward to continuing to work with our senior leaders on driving race equality, better representation and empowering our members to feel seen, heard and valued at Heathrow, as their ethnicity and

culture will always be an asset to themselves and to the business.

### Anj Jashani and Shivani Patel,

Co-leads of the en-haNCE network



### CLOSING