

Gender Pay Gap Report

2023



Foreword

In this, our sixth gender pay gap report, I am pleased to see our mean gender pay gap has reduced for the third year in a row. This is the result of many contributing factors. We continue to be successful in bringing more women into the organisation through our evolving recruitment practices and continue to see increased representation in our peformance and promotion processes. I was particularly pleased to see in this report that the representation of women in our senior leadership cohort has increased by over 5% since our last update.

Our median pay gap remains stable over this period and we attribute this to the distribution of women across different levels of the organisation. We are committed to continuing to implement new ideas and programmes to support change, while also encouraging diverse representation in our early career programmes. Although not as visible as we would hope in the year-on-year data, reflecting back on our progress since 2017, we are seeing evidence of our actions evolving the shape of our organisation.

As outlined in our Diversity and Inclusion strategy, we have set ourselves the aspiration to exceed stereotypical diversity trends within our sector, going further to address the underrepresentation of women and those from non-binary gender identities is a priority area for us. We continue to support and trial new activities and initiatives to accelerate the pace of change and improve inclusivity within our organisation.

Dr Peter Thompson Chief Executive Officer



What is gender pay gap reporting?

The gender pay gap is the difference between the average earnings of men and women across an organisation. It is not the same as equal pay, which relates to men and women being paid equally for similar roles.

Gender pay gap calculations are based on employer payroll data drawn from a specific snapshot date each year. This report shows the findings based on the gender pay gap analysis from snapshot dates of **5 April 2022 and 5 April 2023**.

Gender terminology

While the gender pay gap legislation and associated calculations use the gender terminology male/female, when referring to NPL colleagues and associated activities, we use the terms women/men.

Headline figures

Gender pay gap data sets out the difference in average pay of all women compared to the average pay of all men across all roles within the organisation. Calculations are based on gross pay (after salary sacrifices). A positive figure indicates a pay gap in favour of men, while a negative figure indicates a pay gap in favour of women.

The distribution of full-pay equivalent employees at NPL as of 5 April 2023 was 37.3% women and 62.7% men. In 2023, the mean gender pay gap decreased by 2.42% and the median pay gap increased by 0.22%.

Overall median and mean gender pay gap, and bonus gap:

	2022	2023
Mean gender pay gap in hourly pay	10.08%	7.66%
Median gender pay gap in hourly pay	11.92%	12.14%
Mean gender pay gap in bonus	27.86%	-8.17%
Median gender pay gap in bonus	0.00%	0.00%

The proportion of men and women in each pay quartile

To calculate quartiles, the pay rates of all full-pay equivalent employees on the snapshot date are listed from highest to lowest, and divided into four quartiles. The gender distribution across quartiles can be seen in the graphic below, which highlights that women are under-represented in the upper and upper middle quartiles and overrepresented in the lower middle and lower quartiles when compared with the overall NPL population.



Key contributing factors

The number of women in our organisation has been increasing consistently since 2017, with this year's snapshot seeing the largest single increase in a reporting period since 2018. While proportional representation has fluctuated because of changes in our headcount over time, the proportion of women in the organisation has increased by 0.4% since 2022 and by 3.7% since 2017.

While influenced by several factors, a key contributor to the decrease in the mean pay gap has been an increase in the proportion of women in senior leadership positions, rising to approximately 35%, an increase of 5.2% from 2022. While this has not had a significant impact on the representation of women in the upper quartile (+0.3%), we continue to see upward shifts across the quartiles, with an increase in the proportion of women in the upper middle quartile (+2%) and increases in the proportion of men in the lower and lower middle quartiles (+1% in both).

Despite increased representation, the distribution of women continues to be weighted towards the lower quartiles and the opposite true for men. This accounts for the continued difference in the median pay gap. Distribution by zone, shown in the graphic below, highlights the higher proportion of women who are earlier in their careers or in less senior roles, which influences pay distribution by quartile.



Of all employees, 95% of women and 91% of men within NPL received a bonus during the period between April 2022 and April 2023. The increase compared to last year is due to the awarding of an all-staff bonus, which also influenced the median landing at 0%. The mean bonus pay gap, for the first time this year, moved in favour of women, influenced by changes at the senior leadership level and women receiving a higher proportion of our Values Awards.

What are we doing to address our gender pay gap?

We have identified four key focus areas for achieving a representative workforce and reducing our gender pay gap. Our progress in each of these up until the 5 April 2023 snapshot is provided below.

Attracting diverse talent to science careers

As a science-based organisation, the impact of gender balance across Science, Technology, Engineering and Mathematics (STEM) continues to influence NPL, along with others in our sector, and consequently the available talent pools. We continue to take steps to support change within our own organisation and work with groups like the Social Mobility Foundation and STEM Learning, to promote awareness of STEM, and inspire increasingly diverse future generations of NPL scientists and researchers.

NPL's Outreach programme is in its 15th year of operation. It connects us to potential talent from diverse backgrounds and experiences and engages with girls and young women to help inspire an interest in STEM subjects.

As examples of our work:

- NPL Academy gave 47 students (51% women) from 16 schools a week-long taste of the world of work
- On World Metrology Day our doors opened to 2,725 visitors who saw our laboratories and met our people
- 21,660 school children attended a webinar on the new SI prefixes
- Our annual Water Rocket Challenge had 71 teams participating (our highest number ever).

In 2022/2023, of the 174 NPL staff delivering 167 outreach activities to 60,142 people, 46% were women – many of them apprentices. These women are role models at all levels of the organisation, operating across different channels and sharing various perspectives to resonate with diverse audiences.

Attracting and selecting diverse talent at NPL

We are committed to attracting diverse talent to work at NPL, in April 2023, 46% of placements were women, exceeding the percentage of women in the applicant pool which stood at 30%. Over the snapshot period, a further 32 people completed our 'Selecting the Best' training, which focusses on removing bias from the recruitment process through objective, consistent, valid and relevant recruitment processes.

We continually improve our recruitment approach, extending our pilots on job advert linguistics to our first cohort of graduates and working in partnership with Vercida.com – diversity and inclusion recruitment specialists – to use a decoder to check for and reduce gendered language biases is our adverts. In this reporting period we have also introduced a cross-organisation assessor pool to better support diverse representation and diversity of thought on interview panels.

Developing and supporting diverse talent within NPL

Investing in people is a key part of our strategy. We remain committed to supporting individuals to develop and progress in their careers at NPL.

We continue to annually review the distribution of performance ratings by gender (alongside other characteristics), to ensure an equitable process and raise awareness of and manage unconcious bias. Women continue to do well in our peformance reviews with a higher proportion of women receiving an exceptional rating than men (+3%).

In the reporting period, 37% of promotions via all routes were awarded to women, proportional to our headcount for the period. This is inclusive of the 2022 annual promotions process, reported in our last gender pay gap report, which noted a drop in the proportion of applicants from women. In the 2023 round, the proportion of applications from women rose to 38% (+7% from 2022) with success rates remaining high, however this process concluded after the snapshot data so is not captured in the data presented.

We offer a wide range of learning and development programs to support staff to develop their skills and progress their careers. Within our training portfolio are a number of initiatives which seek to support gender equality. Within this period we supported another cohort of women on the Springboard Development Programme, and continued to offer training on topics such as unconcious bias and impact and visibility at work. During this period we also completed a review of our Discover mentoring programme (a reciprical scheme with a Diversity and Inclusion focus), to support the launch of a new programme in 2023, and introduced four new e-learning modules on diversity and inclusion related topics.

Enabling a diverse workforce to excel

Championing an inclusive environment and culture is a key part of our ongoing programme of diversity and inclusion activities. Examples of our work during this period include:

- Welcoming two new staff-led special interest groups, establishing a Menopause Support Forum to provide support and raise awareness of menopause in the workplace and a LGBTQ+ Equality Committee to compliment the work of our existing LGBTQ+ community group.
- Developing and introducing a new Active Bystander training course, designed to help staff identify inappropriate behavior and equip them with the skills and techniques to address any situations they may experience with confidence and help foster an inclusive working environment.
- Refreshing our Maternity and Adoption Policy, incorporating new information related to surrogacy, as well as improving the language and clarity of the procedure.
- Sharing a range of articles and events via our Diversity and Inclusion staff hub, such as a piece for International Men's Day, running Meet and Greets with our 11 Special Interest Groups and running a programme of events as part of National Inclusion Week, including a talk on Gender Equality by Professor Sheila Rowan.

Our commitment to the future

Our Diversity and Inclusion strategy is a priority within our People Strategy and we continue to work to implement changes, big and small, to support us to reach our goals. We remain committed to reducing our gender pay gap through continual improvements and trialing new approaches.

Since completing our gender pay gap analysis for 2023, we have identified new areas of focus that we hope will support us in increasing the proportional representation of women across the organisation. Having made progress improving the representation of women in senior leadership positions, we are now looking to make improvements in our wider leaders cohort, starting with undertaking a linguistics review of our Business Unit / Group Leader advertisement in an effort to increase the diversity of our applicant pool.

In 2023, we also completed a departmental analysis to better understand differences in representation in our strategic priority areas, and are now working with senior leaders across the organisation to identify local actions to help us meet our organisational ambitions.

Since this snapshot date, we have continued our work with a particular focus on career progression, launching new resources to support staff to navigate their careers at NPL, providing new mentoring programmes, and sharing new resources to raise awareness of gender equality in the workplace. More recently, we launched our <u>Stronger Together Everyone Matters</u> campaign, which we hope will attract, engage and inspire a diverse range of talented individuals, and help us ensure that those we already have are supported to suceed.

We hope all of this will continue to bring positive change within our organisation and contribute to further reducing our gender pay gap.

Jodene Young Chief People Officer





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The **National Physical Laboratory** creates impact from science. Maximum impact can only be achieved with diversity of thought and contribution, which will come from our people. We will recruit, develop and inspire the best people from all backgrounds and believe that by bringing different people and teams together, we provide opportunities for people to fulfil their potential. These people are at the heart of our success. Taking care of every employee, and encouraging diversity and inclusion, are absolutely key and we therefore welcome this opportunity to report on how people are paid. We will continue to strive for equality and take our commitments in this area seriously.

We declare the content of the report to be accurate.

Dr Peter Thompson Chief Executive Officer

Jodene Young HR and Change Director