

Gender Pay Gap Report

2024

NPL 

National Physical Laboratory



Foreword

In this, our seventh gender pay gap report, I am disappointed to see our mean pay gap increase for the first time in three years - a result of organisational growth between gender pay gap snapshots. However, I am pleased that our pay gap remains lower than the estimated STEM sector wide average pay gap of 19%¹.

We continue to successfully bring women into the organisation, increasing the proportion within this snapshot period by another 1.1%, putting the growth rate for women higher than men for the second year in a row. I was particularly pleased to see the positive demographic changes as we move closer to the ambitions we set at the start of our Diversity and Inclusion strategy. Our Executive team becoming 63% women in this report, being a particular highlight.

Like many organisations, we are much more gender balanced in our non science and engineering departments, but we remain committed to implementing new ideas and programmes to support change, both in terms of gender, and other aspects of our Diversity and Inclusion strategy. Initiatives that support career progression, such as our new mentoring programme and our Stronger Together Everyone Matters campaign, create a culture where everyone can be their genuine selves and these remain crucial to accelerating the pace of change and improving inclusivity within our organisation.

We remain committed to achieving our aspiration to exceed the stereotypical diversity trends of our sector and closing our gender pay gap.



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 from snapshot date of **5 April 2024**.

Calculations are based on gross pay (after salary sacrifices). A positive figure indicates a pay gap in favour of men and a negative figure indicates a pay gap in favour of women.

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, the terms women/men are used.

¹ SRG 2024: [Gender and Ethnicity Pay gap: Breaking Down STEM Pay Inequalities](#)

Headline figures

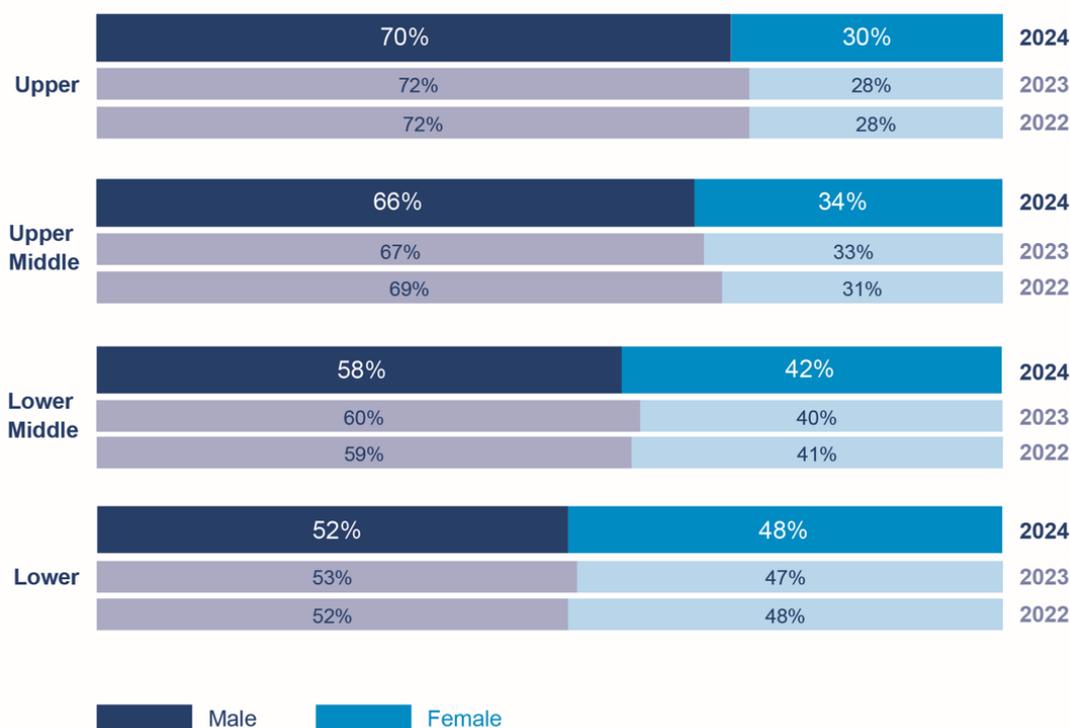
In 2024, the distribution of full-pay equivalent employees as of 5 April 2024 was 38% women and 62% men. The mean gender pay gap increased by 0.42% and the median pay gap by 1.81%.

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

	2023	2024
Mean gender pay gap in hourly pay	7.66%	8.09%
Median gender pay gap in hourly pay	12.14%	13.95%
Mean gender pay gap in bonus	-8.17%	-1.09%
Median gender pay gap in bonus	0.00%	0.00%

The proportion of men and women in each pay quartile

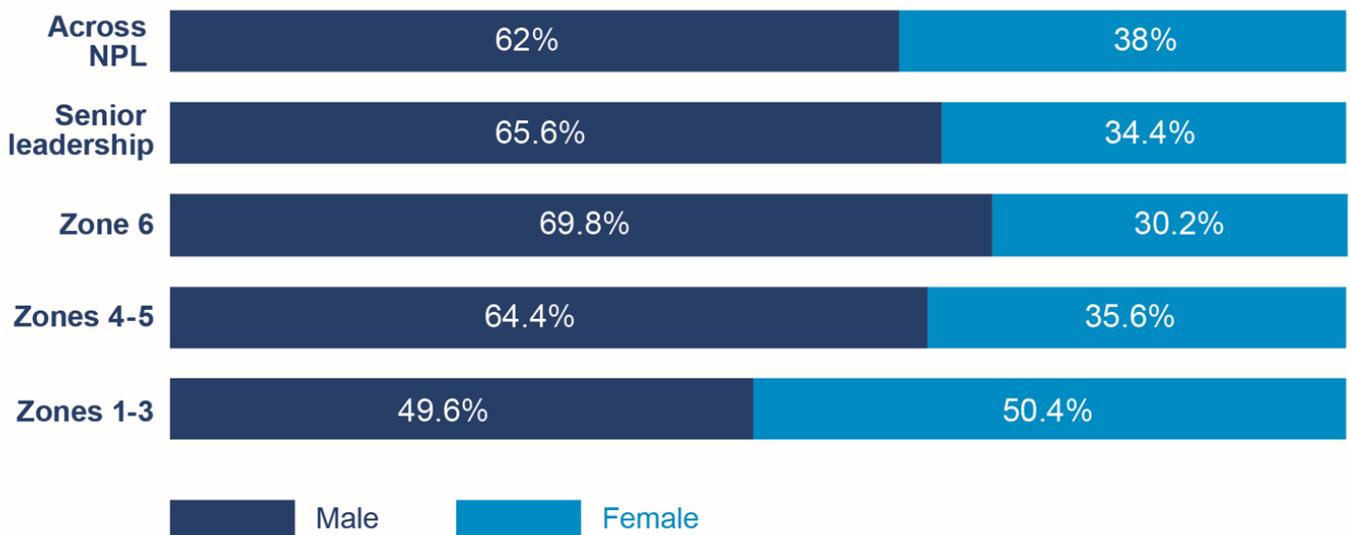
To calculate quartiles, the pay rate of all full-pay equivalent employees on the snapshot date are listed from highest to lowest, and divided into four quartiles. The gender distribution across quartiles can be seen in the graphic below, which highlights that women are under-represented in the upper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



Demographic information

We regularly monitor our diversity data to support the monitoring and continuous development of our diversity and inclusion strategy. At the time of the gender pay gap snapshot:

- **The proportion of women in the organisation had risen** to 38% (+1.1% from our 2023 report). At time of publication, 39% of the organisation are women.
- **There is a higher proportion of women outside of our Science and Engineering departments.** Women make up 32% of our Science and Engineering departments and 52% of our non-Science and Engineering departments (e.g. Finance, IT, Marketing and Communications, etc). Our Science and Engineering departments account for approximately 65% of the organisation. Representation of women in our Science and Engineering departments, increased by 3% from 2023.
- **Women make up 37% of our Senior Leaders**, this has increased by 2% from 2023, and women are now in the majority at the Executive level, where 63% are women. Our senior zones cohort as a whole is 34.4% women.
- **We have seen increases in representation of women in the lower middle portion of the organisation (zones 4-5)**, compared to last year's report. Zone 5 had the highest proportional growth rate for women. Despite this, distribution by zone continues to be weighted towards having higher proportions of women earlier in their careers or in less senior roles.



Analysing changes to the Gender Pay gap

The most significant contributing factor in this years' pay gap has been organisational growth. Between snapshots, the organisation has grown by 15%, which is nearly three times the growth seen in the previous reporting period (5.6%). This growth has been predominantly focused across the lower-middle level of the organisation (zones 3-5), with little to no increase at the top. This has had a disruptive impact on the quartiles, lowering the average hourly rate for men and women.

This, combined with the continued success in attracting women to work at NPL, has meant that increases in representation of women have also been predominantly focused in these zones. At the time of the snapshot, 63% of all women at NPL were occupying zones 1- 4, compared to 49% of all men. This imbalance, combined with an increase in representation at the Executive level, are significant factors in the increase in the median pay gap.

This year we have created a model that shows what the gender pay gap is based solely on the proportion and distribution of women in our organisation. In this model, everyone at a given zone is allocated the same mock salary and no individual salary sacrifices are deducted. Under these circumstances, the mean gender pay gap would increase to:

	Actual gender pay gap 2024	Pay gap model 2024*
Mean gender pay gap in hourly pay	8.09%	9.00%
Median gender pay gap in hourly pay	13.95%	22.00%

*In this model everyone at a given zone is allocated the same salary and no salary sacrifices are deducted.

While this is an artificial scenario, it demonstrates that if all occupants of each zone were paid the same salary, not only would this not improve the pay gap, but it would be worse than is the case when using actual salary data. Removing important real world influencing factors such as differences in roles, length of service and past performance related uplifts confirms that the most prominent contributor to the pay gap, is the proportion of women in the organisation and their current distribution. Therefore, addressing imbalances in representation of women remains a priority to support the closing of the gender pay gap. Within our demographic information, we see evidence of positive changes to support this in the long-term.

Of all employees, 91% of women and 86% of men within NPL received a bonus during the period between April 2023 and April 2024. The mean pay gap on bonus remains in favour of women but has reduced as the snapshot was taken before performance uplifts and the associated leadership bonuses were implemented in 2024. The median bonus pay gap remains at 0%, although this year this is influenced by the median landing within the parameters our values awards scheme.

What are we doing?

Our demographic data shows a steady improvement towards achieving our goal of representing a contemporary workforce and exceeding the stereotypical diversity trends of our sector.

Our work focuses on three key areas to improve representation of women across the organisation.

Attract

We are committed to attracting diverse talent to work at NPL. As of April 2024, **43% of placements during the snapshot period were women**, exceeding the proportion of women in the applicant pool which was 33%. We seek to continually improve our recruitment approach, extending our pilot on job advert linguistics to our 'Group Leader' roles, and working with a new partner, Bridge of Hope Careers, an inclusive employer's platform. We are investing in early career talent and our graduate programme launched in 2023. Currently 45% of our graduates are women.

Progress

Investing in people is a key part of our strategy. In the reporting period, **39% of promotions via all routes were awarded to women**, which is a slight overrepresentation compared to the population. Women accounted for **50% of transfers between departments** in this period. In 2023, we launched our Career Pathways, an interactive platform that allows everyone at NPL to identify and explore career journeys within NPL. We also launched our new mentoring platform that allows mentors and mentees to meet and explore career development goals together. To date the platform has supported 71 pairs, with an average programme satisfaction score of 4.55 out of 5.

Enable

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

- **Extension of access to our on-site nursery**, beyond parents to anyone who is part of caring responsibility arrangements for a child.
- **Launch of our gender equality hub**, that allows all colleagues to learn more about gender, gender inequality and the impacts it can have in the workplace. The microsite covers all gender identities, as well as topics like gender stereotypes and bias.
- **Launch of our Stronger Together Everyone Matters campaign**, which aims to build empathy, raise awareness and inspire action through the sharing of stories. The campaign features stories from a range of women at NPL, and Alisya our women in science persona, whose story was created from real experiences at NPL.

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 in reaching our goals. We remain committed to reducing our gender pay gap through continual improvements and trialing new approaches.

This year our organisational growth, combined with our continuing commitment to increase the proportion of women within the organisation, had an unexpected impact on our gender pay gap. Despite our successes in attracting more women than ever to work at NPL, proportional representation of women at all levels of the organisation continues to be a significant challenge and strongly influences our pay gap figures.

While we have made significant progress in improving the representation of women at senior levels since gender pay gap reporting began, we now need to work to extend this across the organisation. Career experience remains a focus, where we hope to improve access to clearly defined career pathways and development opportunities. We are also investing in pipelining talent of the future, through our work to support those early in their careers. In 2023, we launched our full graduate programme, building on the successes of our 'net zero' cohort, and the programme continues to go from strength-to-strength.

We are continually progressing our work, offering further training opportunities, making improvements to policies and deploying new approaches and mechanisms to attract, progress and enable diverse talent to NPL. All of which we hope will continue to bring positive change and reduce our gender pay gap



Jodene Young
HR & Change Director





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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.

A handwritten signature in black ink, appearing to read 'P. Thompson', written over a white background.

Dr Peter Thompson
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'J. Young', written over a white background.

Jodene Young
HR and Change Director