

Gender pay gap report

2025

NPL 

National Physical Laboratory



Foreword

I am proud of the work we are doing at NPL to create an environment where everyone can thrive. Our expanded programme on unconscious bias, equal pay training for senior leaders, and the introduction of new benefits for carers demonstrates our commitment to build a culture where colleagues feel able to be their genuine selves and are supported both in and out of work. But I also recognise that these steps, while important, are not enough on their own.

Despite this year's increase in the gender pay gap, I remain encouraged by the progress we are making to strengthen women's representation. While the rise in our pay gap, shaped by senior-level changes, salary sacrifice patterns and ongoing organisational growth, is disappointing, our demographic data continues to move in a positive direction. I am pleased that we are attracting women across NPL. This remains essential as we expand into new areas, and reflects our efforts to reduce bias in recruitment and build robust early-career pipelines.

At the same time, this year's findings make it clear this is only the first step; we must continue to support women's progression, particularly into the middle to upper zones of our organisation. Our new performance and development framework, as it embeds into our organisation, will be essential to addressing this, but we must also look consciously as NPL continues to evolve. As we look ahead, our focus remains clear: to challenge the typical diversity patterns of our sector, and continue to strengthen women's representation at all levels. Progress will not always be linear, and this year's data reminds us that we have more to do. Even so, our direction of travel remains strong and our commitment unwavering. I am confident that by acknowledging where we must improve, we will create lasting and meaningful change for the organisation we aspire to be.



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

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 2024 and 5 April 2025**.

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.

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 and a negative figure indicates a pay gap in favour of women. **The distribution of full-pay equivalent employees as of 5 April 2025 was 39% women and 61% men.**

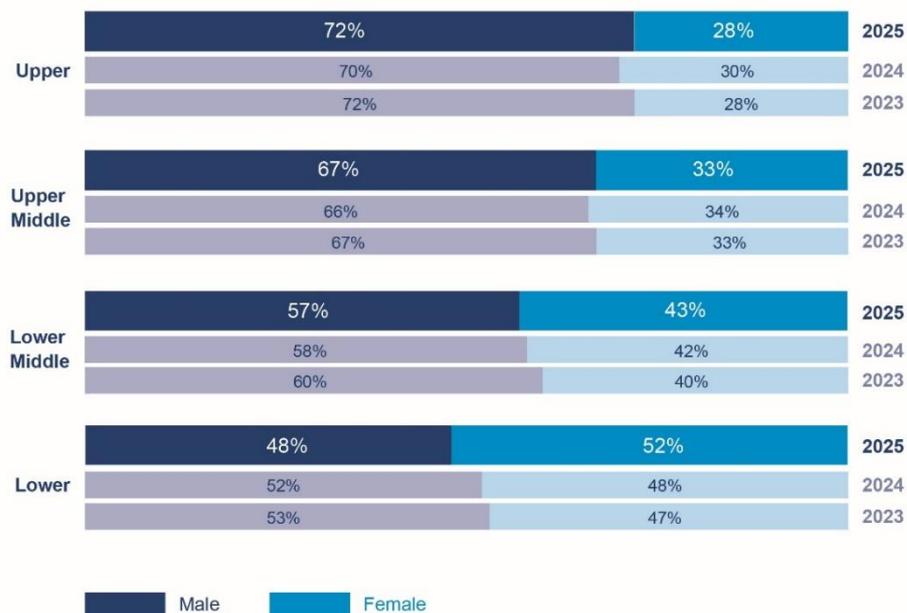
Overall median and mean gender pay gap, and bonus gap:

	2024	2025
Mean gender pay gap in hourly pay	8.09%	10.18%
Median gender pay gap in hourly pay	13.95%	16.96%
Mean gender pay gap in bonus	-1.09%	1.67%
Median gender pay gap in bonus	0.00%	2.94%

In 2025, the mean gender pay gap increased by 2.08% and the median pay gap by 3.01% compared to 2024.

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.



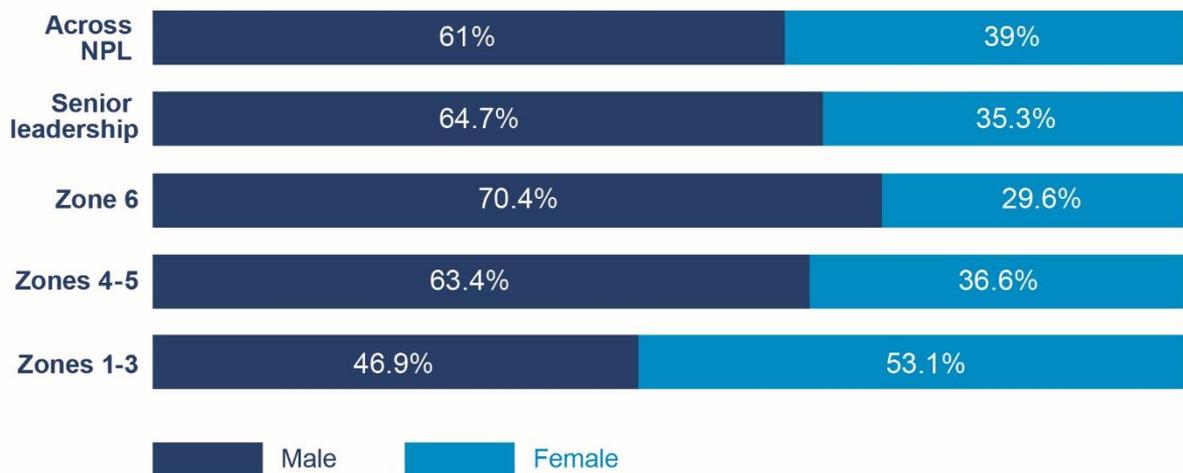
Demographic information

We regularly monitor our diversity data to support the evolution 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 39.1% (+1.1% from our 2024 report). However, there continue to be more men than women in our organisation.
- **There is a higher proportion of women outside of our Science and Engineering departments.** Women make up 33% of our Science and Engineering departments and 50% of our other departments (e.g. Finance, IT, Marketing and Communications, etc).

Our Science and Engineering departments account for approximately 63% of the organisation. Representation of women in our Science and Engineering departments, increased by 1% from 2024.

- **Women make up 38.6% of our Senior Leaders**, this has increased by 1.6% from 2024, women remain in the majority at the Executive level, at 63% women.
- **We have seen increases in representation of women at all zones, except Zone 6**, with Zones 7 and 1 having the highest growth rate for women. Due to this pattern, there has not been a significant change in distribution, which 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

This year's changes to the gender pay gap are driven by several factors. **Organisational change** has been the most significant factor overall, as we expand into future-facing sectors and capabilities.

Organisational growth - Our workforce continues to expand, though at a slower pace than last year. Growth has reduced by 8.8% to 6.5% but remains higher than in earlier reporting periods. As NPL moves into new sectors, such as telecoms, and strengthens areas like security and IT, these change the shape and diversity of our organisation. Many of these sectors have low representation of women and challenging talent markets, which influence the gender pay gap in different ways to those we have seen in previous years.

Senior level changes- We saw a 13.6% increase in senior roles (Zones 7–9) in this year's snapshot. Women's representation at this level rose slightly to 35% (+0.6%), but the net increase in roles favoured men. Snapshot timing also played a role: two senior positions were in transitional handover, resulting in two additional individuals counted at this level. These changes significantly increased the median pay gap.

Representation across the organisation- Aligned with our diversity and inclusion strategic ambitions, representation of women increased across all zones, except Zone 6. However, these gains have not shifted the overall pattern of distribution: women remain concentrated in the lower zones. Currently, 62.6% of women are in Zones 1–4, compared with 46.2% of men. This distribution continues to be the primary driver of the gender pay gap.

To isolate the impact of gender representation and distribution, we continue to use a model in which everyone at the same zone receives the same salary and salary sacrifice deductions are removed. Under this model, the gender pay gap shifts as follows:

	Actual gender pay gap 2025	Pay gap model 2025*
Mean gender pay gap in hourly pay	10.18%	9.30%
Median gender pay gap in hourly pay	16.96%	17.9%

*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, removing differences in roles, length of service and previous performance uplifts, which are important real world influencing factors, it clearly shows the significant impact of gender representation and distribution. Compared with the 2024 model, this

year's results show a 4.1% decrease in the median gap, reflecting positive demographic changes across all zones.

However, the model also shows a 0.3% increase in the mean gap compared with last year's model, attributed to the senior-level changes, and a 0.9% increase when compared with the actual 2025 mean pay gap. The latter indicates that additional non-demographic factors are affecting this year's results. Two key financial factors were identified:

Pension scheme changes- In 2024, we increased employer pension contributions and expanded options within our defined contribution scheme. As pension payments occur through salary sacrifice, they reduce an individual's salary before the hourly rate is calculated, therefore individual pension choices affect the pay gap.

Between snapshots, pension participation increased to 94.6% for women and 93.4% for men, reducing the difference between genders by 1.8%. Following the scheme change, 26.5% of employees increased their contributions, with women having a higher proportional increase in pension contributions in all but three zones (Zones 2, 3 and 9). While most of the organisation (80%) make pension contributions in 1-10% range, analysis revealed that women are significantly overrepresented at the highest pension contribution brackets. These patterns reduce the hourly rate more for women, particularly in the middle and upper zones and contribute to a widening the pay gap.

Increase in use of salary sacrifice schemes- More employees used salary sacrifice benefits this year (+1.7%). Usage was higher among women (23.6%) than men (16.3%). Except for Zone 1, women are overrepresented in salary sacrifice usage at all levels, especially Zones 2, 3 and senior leadership. Salary sacrifice schemes include cycle to work, buying annual leave and payments of our onsite nursery fees. As with pension contributions, these schemes reduce hourly pay and therefore influence the pay gap.

From April 2024 to April 2025, 94.2% of women and 92.5% of men received a bonus. The mean bonus pay gap shifted in favour of men this year. This change was influenced by the £750 payment to all colleagues and the timing of the 2024 leadership bonus, which fell after the previous snapshot. Combined with patterns from the values awards scheme, these factors contributed to the shift in the bonus gap.

Although these financial factors contributed to a widening of the gender pay gap this year, they align with our commitment to supporting colleagues both in and out of work, through The Measure of Us, our employee value proposition. Addressing gender representation, particularly increasing the number of women in higher zones, remains essential to closing the gap over the long term.

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 remain committed to attracting diverse talent into NPL, particularly in areas where women are underrepresented. During the April 2025 snapshot period, **40% of new placements were women**, proportionate to the application rate. To strengthen gender representation at entry, all job adverts undergo bias review with a focus on reducing gendered language. We have also introduced a dedicated 'unconscious bias in recruitment' briefing for hiring managers.

Our investment in early careers continues to be an important long-term lever for addressing the gender imbalance in higher zones. Since its 2023 launch, our graduate programme has grown with encouraging representation: **49% of graduates were women at the time of the snapshot**.

Progress

Developing our people is central to our strategy and a key mechanism for changing the distribution patterns that influence our gender pay gap. During the reporting period, **women made up 38% of promotions**, slightly below their overall representation, while accounting for **50% of inter-departmental transfers**. In 2025, we launched a continuous performance and development framework, with an emphasis on empowering people to achieve their goals. Simultaneously, we launched a new line manager development programme, focusing on supporting a culture of coaching and effective feedback. To date, **83% of managers have completed the training**.

Enable

Creating an inclusive environment remains essential for ensuring all are supported to succeed. Key initiatives this year included:

- **Equal pay and pay equity training for senior leaders**, strengthening their capability to recognise legal responsibilities, assess pay fairly, and challenge pay inequalities.
- **A refreshed focus on reducing unconscious bias**, delivered through seminars, updated training, a new microsite, and a practical toolkit. The toolkit provides guidance on mitigating bias in recruitment, performance, and promotion, areas that directly influence the demographic drivers of the pay gap.
- **The launch of a new adult caring benefit**, giving colleagues access to expert support for current or future caring responsibilities. By reducing the time and emotional load associated with caring (saving colleagues an estimated 1200 hours since April 2024), this new benefit supports retention and progression for colleagues who often face additional barriers.

Our commitment to the future

I remain deeply committed to ensuring that our Diversity and Inclusion strategy continues to sit at the heart of our People Strategy. Reducing our gender pay gap is a long-term priority, and we will keep refining our approach, learning from our data as the organisation changes, trialling new initiatives and strengthening what works.

This year, a combination of factors related to organisational change has had unintended effects on our pay gap. While this is disappointing, they remain the right thing to do, both for our people and organisation in the long term. I am proud that we currently have more women at NPL than ever before, though the distribution of women in certain job zones continues to present a persistent challenge and remains a significant driver of our results. Addressing this remains central to our future work.

We have made meaningful progress in increasing the number of women in senior roles since gender pay gap reporting began, but it is clear that we must now extend this progress to other areas of the organisation. A continued focus on embedding recent changes in performance and development and upskilling managers is vital to enabling all to succeed.

Looking ahead, we will continue to embed good practice across the organisation and strengthen our approach to attraction, progression and development. Ahead of the next pay gap snapshot in April 2026, we are implementing two key actions, both part of our wider inclusion programme, but are topics that can disproportionately impact women in the workplace:

Dignity at work resources: We will launch a new suite of resources, developed using colleague feedback, covering discrimination, bullying and harassment (including sexual harassment). This will include an updated procedure, a new SharePoint page with guidance and tools, and a new mandatory e-learning module for all colleagues.

Hormonal health action plan: Now live on our internal diversity and inclusion hub, this plan recognises that hormonal changes can affect people of all ages and genders. It sets out our commitments to support those impacted by experiences like menopause and menstruation. A dedicated microsite and a line manager guide will be launched in the coming month.

We also commit to bring our reporting closer to the gender pay gap snapshot date, to help us identify and implement actions faster, aiming to publish our next report in the summer. These commitments reflect our belief in sustained, meaningful change.



A handwritten signature in black ink, appearing to read 'Jodene Young'.

Jodene Young
Chief People Officer



National Physical Laboratory
Hampton Road
Teddington
Middlesex
United Kingdom
TW11 0LW

Switchboard 020 8977 3222
npl.co.uk/contact

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
Chief People Officer