



UK Gender Pay Gap 2021



nationalgrid

Introduction

National Grid plc is one of the world's largest investor-owned energy utilities, committed to delivering electricity and gas safely, reliably and efficiently to the customers and communities we serve.

Our vision is to be at the heart of a clean, fair and affordable energy future in an industry sector where the pace of change is accelerating with increasing focus on decarbonisation, digitalisation and decentralisation.

Diversity matters

Creating a diverse, equitable and inclusive workforce that is fully representative of the communities we serve is at the heart of our business values and strategy. We treat everyone fairly and equally, without discrimination on the grounds of race, age, role, gender, gender identity, colour, religion, country of origin, sexual orientation, marital status, dependents, disability, social class or political views.

The commitments and ambitions in our [Responsible Business Charter](#) reflect our vision:

Our commitments are to:

- be as transparent as possible internally and externally on gender and ethnicity/race
- maintain fairness across the organisation for pay and make sure our pay practices do not show bias
- achieve 50% diversity in our Senior Leadership group by 2025
- achieve 50% diversity in all our new talent programmes by 2025
- provide unconscious bias training to all our people over the next year.



What is the Gender Pay Gap?

The gender pay gap shows the difference between the average (mean) and median pay of all women and the average (mean) and median pay of all men, irrespective of any differences in the work they do. As a result, it's affected by how the workforce is made up, including the numbers of men and women in different types of jobs and at different levels of seniority.

To calculate the median gender pay gap, the hourly rate of all male employees were arranged from highest to lowest and the middle value was selected. This was repeated for female employees. These two values were then compared. The mean gender pay gap shows the difference in average pay. Equal pay is the difference in pay between men and women doing the same or similar jobs.

UK legislation requires all UK companies with 250 or more employees to report their gender pay gap.

This report contains the UK gender pay gap results for 2021, as required under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

We also report on a voluntary basis the figures for the combined total of all our UK employees, including those employed by smaller UK companies with less than 250 employees. We believe it is important to see the whole picture.



Total voluntary disclosure in the UK

(to accompany the statutory disclosure by legal entity).

2021

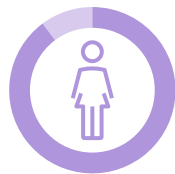
Total UK overall

	Median	Mean
Gender base pay	2.4%	-1.6%
Gender incentive pay	-22.4%	-15.6%
Female total population	28%	

Proportions receiving bonus pay



89.1%



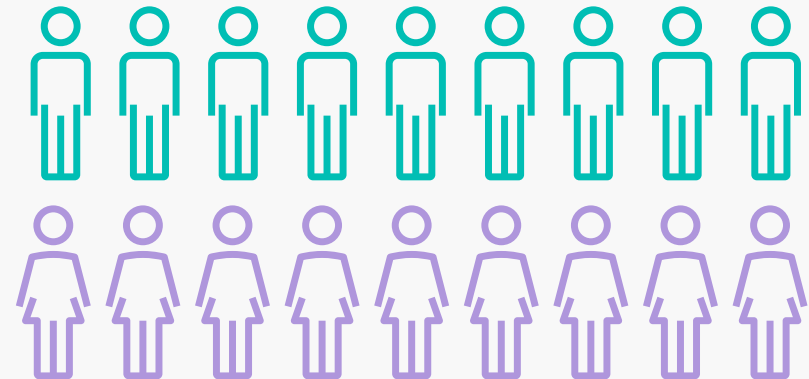
89.8%

Quartile pay bands

	Men	Women
Upper	76.0%	24.0%
Upper middle	72.6%	27.4%
Lower middle	73.3%	26.7%
Lower	70.5%	29.5%
Overall	72.0%	28.0%

- There is no material gender pay gap for National Grid in the UK.
- Our median gender pay gap is industry leading, 2.4% compared to 22.8% for the industry*.
- 39.3% of our most senior executives are female. This has an impact on incentive pay.

* Office for National Statistics 2020 - provisional data.



c6,646 employees in the UK

Our Gender Pay Gap progress

Key insights that drive our Gender Pay Gap

- No biases are evident in pay across our Group; at National Grid pay is fair and equal at all levels in the organisation.
- Consistent with our results since 2018, we continue to evidence no material (>5%) mean gender base pay gap in the UK overall.
- The mean incentive pay gap data is impacted by outliers which more materially skew the results due to a lower representation of women overall.

Further considerations and areas of focus

- Women represent ~38% of our UK based senior leadership team, and overall represent 28% of UK based colleagues.
- Men continue to represent a majority of our senior operational roles with higher hourly base pay.
- Female employees average length of service is 28% lower than male employees, and they are more likely to work part time reducing their hourly pay.



2021 Diversity, Equality and Inclusion (DEI) action plan

We remain committed to developing a diverse, equitable and inclusive workforce that is representative of the communities in which we serve. We have made good progress in terms of representation and have closed the gender pay gap in the UK. Our Responsible Business Charter sets out our ambition and commitments.

These commitments were:

- being as transparent as possible in sharing our data, which will include reporting on recruitment, promotion, progression, and leaver rates by diverse groups
- achieving greater diversity amongst our senior leadership and new recruits
- building a culture where it is safe to speak out against exclusion
- maintaining fairness across our organisation in pay.

This year, we have followed up on these commitments with our Responsible Business Report which provides an update on how we are progressing. We have seen positive movement across all our commitments, with increased diversity at Board, Senior Leadership and Total Workforce levels. We have also seen improvements in the diversity of our Starters, Movers and Leavers, globally.

In the UK, women represented a greater proportion of promotions (31%) than current overall female representation (28%), this is also up from last year (30%). We have continued to see strong representation of women in leadership roles (35%) and our leadership high potential pool has grown to over 44% female. We have seen significant gains in terms of female representation in our senior roles (currently 39%, up from 35%).

In order to continue to support female empowerment and advancement across the organisation we run development programmes for women in our organisation (Strategies for Success) and, in the UK, our Chief Engineer sponsored a 'Women in Engineering' project specifically to increase the number of women hired, targeting women leaving education or returning from career breaks and highlighting positive female role models. We run insight days for potential applicants where attendees consist of 100% women or 50% women and 50% ethnic minorities and, to continually improve our processes to attract women into the organisation, we access best practice from Inclusive Employers, Business in the Community and Women in Engineering in the UK.

With senior executive sponsorship, we have developed a mentoring and development programme for women to assist in addressing the barriers women face at work. This is backed by a suite of family policies including caring for dependants leave, maternity leave and flexible working policies. We have also worked with our women's Employee Resource Group (ERG) Women in National Grid (WiNG) to develop new initiatives such as Lean-In circles for women to support each other. We broadened our senior women's external network by offering them experiences such as Whitehall Group, and ensure they all have an external coach through Untapped AI.

In addition to the above, we have also appointed our Chief Diversity Officer (CDO). This role will be key in delivering our DEI strategy and advancing our DEI offerings across the organisation. We have fully staffed our global DEI team, reporting to the CDO, which will provide us with excellent support across the global organisation and allow us to achieve our vision to be the most diverse, equitable and inclusive company of the 21st century. It is also important to highlight that National Grid is one of only five FTSE 100 companies with a female Chair.

Summary of statutory GPG Data for UK 2021

2021

Summary of statutory GPG Data for UK

	Overall UK	NG UK	NGET	NG Gas	NG ESO
Gender					
Mean base pay	-1.6%	-4.0%	-5.2%	5.9%	12.0%
Mean incentive pay	-15.6%	-0.3%	-192.8%	32.9%	20.3%
Median base pay	2.4%	0.7%	5.7%	4.7%	12.7%
Median incentive pay	-22.4%	-24.7%	-15.4%	-24.6%	2.8%
Percentage of women per quartile					
Upper	24.0%	26.9%	9.3%	25.5%	17.2%
Upper middle	27.4%	27.3%	11.7%	33.3%	28.4%
Lower middle	26.7%	27.8%	19.3%	37.1%	30.8%
Lower	29.5%	28.0%	10.4%	31.4%	42.5%
Overall	28%	28.8%	12.7%	31.9%	31.6%
Proportions receiving bonus pay					
Men	89.1%	86.9%	96.8%	97.3%	96.1%
Women	89.8%	88.1%	96.1%	99.3%	96.0%
Number of employees					
	6,646	4,942	608	430	557

The total number of UK employees includes all those employed in the UK, not just those employed by companies with more than 250 employees.

National Grid UK Ltd

Statutory disclosure

2021

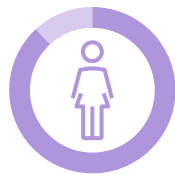
National Grid UK Limited

	Median	Mean
Gender base pay	0.7%	-4.0%
Gender incentive pay	-24.7%	-0.3%
Female total population	28.8%	

Proportions receiving bonus pay



86.9%

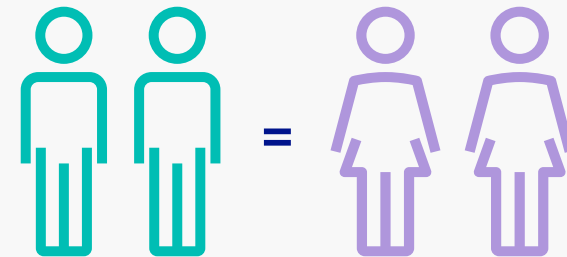


88.1%

Quartile pay bands

	Men	Women
Upper	73.1%	26.9%
Upper middle	72.7%	27.3%
Lower middle	72.2%	27.8%
Lower	72.0%	28.0%
Overall	71.2%	28.8%

- This legal entity is by far the largest and has been the main employing entity for National Grid since 2006.
- National Grid UK Ltd employed 4,942 people on a National Grid UK Ltd contract on April 5th 2021.



No base pay gap
for National Grid UK

National Grid Electricity Transmission (NGET)

Statutory disclosure

2021

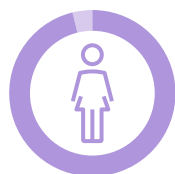
National Grid Electricity Transmission

	Median	Mean
Gender base pay	5.7%	-5.2%
Gender incentive pay	-15.4%	-192.8%
Female total population	12.7%	

Proportions receiving bonus pay



96.8%

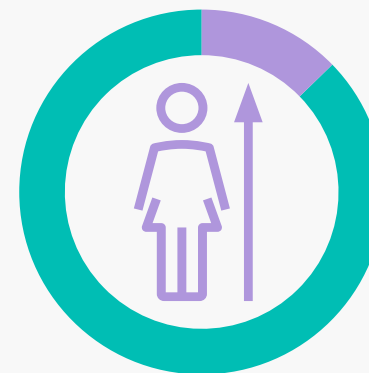


96.16%

Quartile pay bands

	Men	Women
Upper	90.7%	9.3%
Upper middle	88.3%	11.7%
Lower middle	80.7%	19.3%
Lower	89.6%	10.4%
Overall	87.3%	12.7%

- We employed 608 people on a National Grid Electricity Transmission contract on April 5th 2021.
- The overall proportion of women in the NGET business has increased from 11.9% in 2020 to 12.7% in 2021.
- The difference between the mean and median incentive pay gap demonstrates the impact of some notable outliers.



Female total population increased from 11.9% to **12.7%**

National Grid Gas (NG Gas)

Statutory disclosure

2021

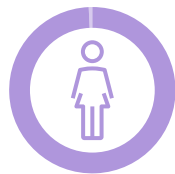
National Grid Gas

	Median	Mean
Gender base pay	4.7%	5.9%
Gender incentive pay	-24.6%	32.9%
Female total population	31.9%	

Proportions receiving bonus pay



97.3%



99.3%

Quartile pay bands

	Men	Women
Upper	74.5%	25.5%
Upper middle	66.7%	33.3%
Lower middle	62.9%	37.1%
Lower	68.6%	31.4%
Overall	68.1%	31.9%

- National Grid employed 430 people on a National Grid Gas plc contract on April 5th 2021.
- The proportion of women employed in the Gas Transmission business is the highest among these legal entities.



The proportion of women employed here is the **highest** among these legal entities

National Grid Electricity Systems Operator (ESO)

Statutory disclosure

2021

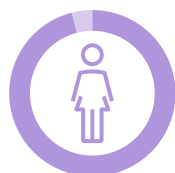
National Grid ESO

	Median	Mean
Gender base pay	12.7%	12.0%
Gender incentive pay	2.8%	20.3%
Female total population	31.6%	

Proportions receiving bonus pay



96.1%

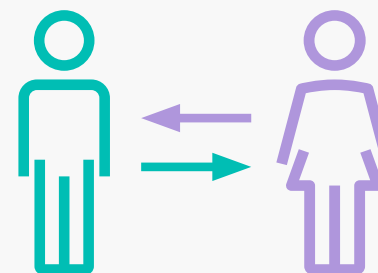


96.0%

Quartile pay bands

	Men	Women
Upper	82.8%	17.2%
Upper middle	71.6%	28.4%
Lower middle	69.2%	30.8%
Lower	57.5%	42.5%
Overall	68.4%	31.6%

- National Grid Electricity Systems Operator (ESO) employed 557 people on April 5th 2021.
- The gender pay gap at ESO has reduced by 0.7% compared to last year (12.7%).
- ESO is focused on attracting, retaining and developing a diverse workforce.



Gender pay gap
reduced by **0.7%**

Conclusion

At National Grid, we are fully committed to creating a diverse, equitable and inclusive workforce that is reflective of the communities in which we serve. Our Responsible Business Charter sets out our commitments to stakeholders and, as part of that, our ambition to achieve 50% diversity in our senior leadership and on our new talent programmes by 2025.

We are proud of the progress we have made on diversity at National Grid and our UK gender pay gap results reflect our continued commitment and strategy to 'empower our colleagues for great performance' and build an inclusive and truly diverse workforce. In May 2022, as part of our Responsible Business charter, we will publish a more comprehensive view of our gender and ethnicity diversity statistics across all our businesses and outline both our progress as well as our path forward towards achieving our objectives. Looking forward, as we build the skills and talent we need to deliver and support the transition to a clean energy future, diversity, equity and inclusion will continue to remain at the heart of our employee proposition.

Thank you for taking the time to read this document. We confirm that the information and data provided is accurate and in line with mandatory requirements and has been independently assured by PwC LLP and you can find their limited assurance opinion [here](#).

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