

UK Gender Pay Gap 2023

nationalgrid



Introduction

National Grid is one of the world's largest publicly-listed utilities focused on transmission and distribution of electricity and gas. We play a vital role in connecting millions of people to the energy they use safely, reliably and efficiently and are committed to making energy cleaner and more affordable for our customers and the communities we serve.

Our vision is to be at the heart of a clean, fair and affordable energy future.

Diversity matters

Our aspiration is to always have workplaces that are diverse and where the values of equality and inclusion are championed. We know Diversity, Equity and Inclusion (DEI) is no longer a 'nice to have'. It is vital in our efforts to build a net zero workforce: we owe it to our colleagues, our customers and stakeholders to be clear on our stance against inequity and ensure that the work that we do does not leave anyone behind. Our commitment to improving our culture of inclusion and increasing the diversity of our workforce continues to be a strategic priority. Our global DEI strategy is focused on developing plans that will have an internal impact within our business, as well as ensuring we make positive change across the sector and communities we serve.

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

Our commitments

- Invest in our people and build the skills needed to deliver the clean energy future.
- Reflect the communities we serve, intentionally increasing ethnic and female representation in our workforce.
- Create an inclusive culture, where it is safe to speak up and where our colleagues' voices are heard and understood by our Group Executive and Board.
- Lead the industry on colleague health and wellbeing.
- Ensure all colleagues receive fair and equitable pay.



What is the Gender Pay Gap?

The gender pay gap uses a reporting snapshot date of 5th April 2023 and shows the average (mean) and median pay difference between all men and women, 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.

- The mean gender pay gap shows the difference in average pay between men and women; which is reflective of all Full Pay Relevant (FPR) 1 employees*.
- The median gender pay gap represents the difference between the midpoints of the range of hourly pay of men and women. The same ranges are used to calculate the proportion of women in each pay quartile.
- The hourly pay gap is inclusive of all men and women active as of 5 April 2023 (FPR), who have received their expected monthly base pay, as well as any shift premiums and uplifts within the snapshot month of April 2023.
- The incentive (bonus) pay gap is inclusive of all men and women active as of 5 April 2023 (FPR), and any incentive payments they received during the period of 5 April 2022 and 4 April 2023 inclusive.

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 2023, as required under the Equality Act 2010 (Gender Pay Information) Regulation 2017.

National Grid's 2023 pay gap excludes National Grid Gas this year as the company completed the sale of its 60% equity interest at the end of January 2023 and a further 20% in July 2023. As part of the re-organisation, a significant number of employees have been assigned across our remaining UK entities. We also report on a voluntary basis the figures for the combined total of all UK employees, including those employed by similar UK companies with less than 250 employees. We believe it is important to see the whole picture.

Throughout this report, any positive pay gap figures refer to instances where men are being paid more than women; whereas a negative pay gap refers to instances where women are being paid more than men.

* Full Pay Relevant Employee (FPR): any employee who is employed on the snapshot date (5 April 2023) and who is paid their usual full basic pay during the relevant pay period.



Voluntary disclosure of the total UK Gender Pay Gap

(to accompany the statutory disclosure by legal entity).

2023

Total UK overall

	Median	Mean
Gender hourly pay gap	4.0%	1.8%*
Gender incentive pay gap	0.1%	-1.3%*
Female total population	23.1%	

Proportions receiving bonus pay



37.3%



48.7%

Quartile pay bands

	Men	Women
Upper	79.4%	20.6%
Upper middle	79.5%	20.5%
Lower middle	78.6%	21.4%
Lower	71.7%	28.3%
Overall	76.9%	23.1%

- We continue to see no material mean gender pay gap for National Grid in the UK.
- Our total number of full pay relevant employees in the UK is 12,658.
- Our figures include National Grid Electricity Distribution (NGED) and exclude National Grid Gas.
- For the fourth consecutive year, we see a mean hourly gender pay gap of less than +2% and this remains industry leading. The mean incentive pay gap remains in favour of women overall (although the gap has narrowed this year).



12,658 employees in the UK

* This metric forms part of selected ESG information to be published within National Grid's Responsible Business Report 2023/24 and will be subject to limited independent assurance by PriceWaterhouseCoopers LLP ("PwC"). The Responsible Business Report 2023/24 and the PwC assurance opinion will not be published until May 2024 and will then be available [here](#).

2023 Diversity, Equity and Inclusion (DEI) action plan

Our work to enhance Diversity, Equity, Inclusion (DEI) across the organisation continues to increase in focus and demand. Our five strategic DEI commitments below highlight our priority areas in the near term.

Our strategic DEI commitments

- 1 Creating DEI impact in the communities within which we serve and the external touchpoints and platforms that we have.
- 2 Speaking boldly; promoting transparency, weaving inclusion into our brand image and DEI messaging internally and externally.
- 3 Ensuring our processes and policies are equitable so that no one gets left behind.
- 4 Enhancing accountability and an inclusion mindset to ensure everyone behaves inclusively regardless of role, level or status.
- 5 Supporting and elevating our employee resource groups, key enablers who create welcoming environments, enhance our reputation and support us to achieve business' performance.

We continue to focus on progressing these commitments globally as well as ensuring each business unit, functional area and individual contributor knows how they can make an impact.

Our DEI progress

- Co-designed an industry wide marketing campaign to attract more women into the sector.
- Redesigned recruitment process to promote inclusion and engage with organisations to proactively attract diverse candidates.
- Launched Women in Operations work streams and initiatives to improve experiences for women in the field.
- Focused development and mentoring opportunities.
- Continued to focus on women's health in the work place - such as period dignity and menopause awareness.
- Externally recognised as Times Top 50 Employers for Gender Equality 2023, Top 25 Organisation in the 2023 Investing in Ethnicity Maturity Matrix and achieved 4th position for Women in Leadership in the FTSE Women's Leaders report as well as ranking at the top of the sector.
- Safe to Say score for women (76%) is higher than total population (71%).

Summary of statutory GPG Data for UK 2023

2023

Summary of statutory GPG Data for UK

	Overall UK	NG Commercial**	NGET	NG IH**	NG ESO	NGED			
						South Wales	South West	West Midlands	East Midlands
Mean hourly pay gap	1.8%*	32.6%	1.4%	1.9%	9.2%	12.4%	10.5%	4.2%	8.7%
Mean incentive pay gap	-1.3%*	76.0%	-52.2%	-25.9%	13.1%	97.1%	-80.2%	64.4%	70.7%
Median hourly pay gap	4.0%	29.4%	3.2%	7.8%	13.4%	10.6%	10.5%	4.3%	9.4%
Median incentive pay gap	0.1%	47.0%	-0.9%	19.8%	19.6%	96.0%	76.2%	78.9%	89.1%

Percentage of women in each pay quartile

Upper	20.6%	43.8%	20.3%	26.9%	23.3%	8.1%	9.9%	14.2%	15.6%
Upper middle	20.5%	42.7%	24.8%	39.4%	37.4%	8.3%	11.6%	11.1%	18.2%
Lower middle	21.4%	68.5%	26.3%	28.8%	40.1%	14.9%	22.5%	14.4%	21.4%
Lower	28.3%	75.3%	24.2%	48.8%	44.7%	24.7%	28.3%	21.2%	28.9%
Overall	23.1%	58.3%	24.9%	34.7%	36.4%	14.2%	18.2%	15.1%	21.3%

Proportions receiving bonus pay

Men	37.3%	89.4%	82.8%	77.1%	85.6%	1.8%	3.1%	1.3%	1.9%
Women	48.7%	84.4%	79.4%	79.6%	78.9%	0.7%	4.0%	3.7%	2.5%

Number of full pay relevant employees

	12,658	360	3,995	268	1,056	1,081	1,786	1,793	2,041
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* This metric forms part of selected ESG information to be published within National Grid's Responsible Business Report 2023/24 and will be subject to limited independent assurance by PriceWaterhouseCoopers LLP ("PwC"). The Responsible Business Report 2023/24 and the PwC assurance opinion will not be published until May 2024 and will then be available [here](#).

** NG UK and NG Gas have been replaced by NG Commercial Holdings and NG IH, which are now in scope.

National Grid Commercial Holdings

Statutory disclosure

2023

National Grid Commercial Holdings

	Median	Mean
Gender hourly pay gap	29.4%	32.6%
Gender incentive pay gap	47.0%	76.0%
Female total population	58.3%	

Proportions receiving bonus pay



89.4%

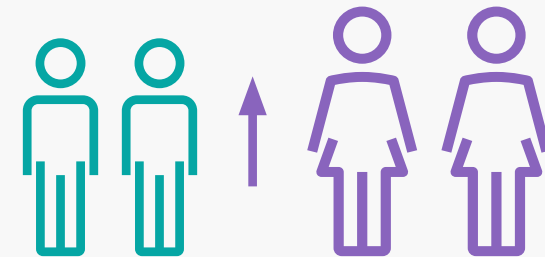


84.4%

Quartile pay bands

	Men	Women
Upper	56.2%	43.8%
Upper middle	57.3%	42.7%
Lower middle	31.5%	68.5%
Lower	24.7%	75.3%
Overall	41.7%	58.3%

- Due to the growth of National Grid Commercial Holdings, this UK entity now falls under the UK Gender Pay Gap Reporting requirements this year.
- We employed 360 full pay relevant employees in National Grid Commercial Holdings on 5 April 2023.



Female representation
is higher than men

National Grid Electricity Transmission (NGET)

Statutory disclosure

2023

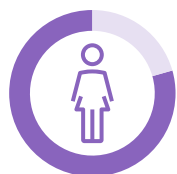
National Grid Electricity Transmission

	Median	Mean
Gender hourly pay gap	3.2%	1.4%
Gender incentive pay gap	-0.9%	-52.2%
Female total population	24.9%	

Proportions receiving bonus pay



82.8%

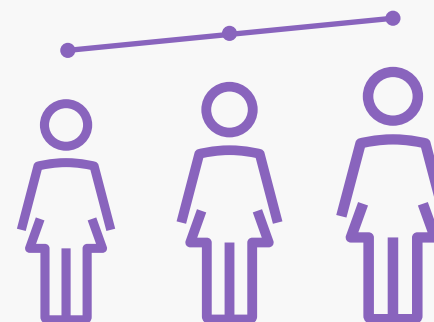


79.4%

Quartile pay bands

	Men	Women
Upper	79.7%	20.3%
Upper middle	75.2%	24.8%
Lower middle	73.7%	26.3%
Lower	75.8%	24.2%
Overall	75.1%	24.9%

- As part of the re-organisation, a significant number of employees have been assigned to the NGET business. We employed 3,995 full pay relevant employees in NGET on 5 April 2023.
- Female representation in the NGET business has increased to 24.9% from 12.5% last year, partly attributed to the increase in the total population.
- Our incentive pay gap remains in favour of women as it did in 2021 and 2022 respectively, although it demonstrates the impact of a small number of notable outliers.



Female representation
has increased compared to last year

National Grid IH Ltd

Statutory disclosure

2023

National Grid IH Ltd

	Median	Mean
Gender hourly pay gap	7.8%	1.9%
Gender incentive pay gap	19.8%	-25.9%
Female total population	34.7%	

Proportions receiving bonus pay



77.1%

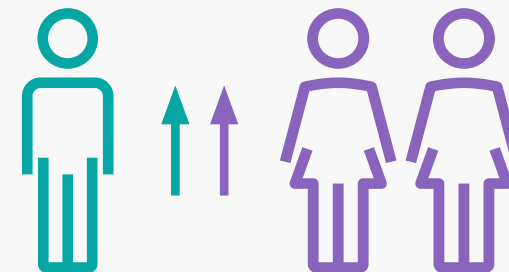


79.6%

Quartile pay bands

	Men	Women
Upper	73.1%	26.9%
Upper middle	60.6%	39.4%
Lower middle	71.2%	28.8%
Lower	55.2%	44.8%
Overall	65.3%	34.7%

- We employed 268 full pay relevant employees in National Grid IH on 5 April 2023.
- The mean incentive pay gap is in favour of women.



A **larger portion of women** are receiving incentive pay than men

National Grid Electricity Systems Operator (ESO)

Statutory disclosure

2023

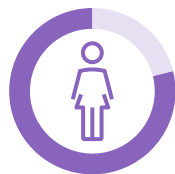
National Grid ESO

	Median	Mean
Gender hourly pay gap	13.4%	9.2%
Gender incentive pay gap	19.6%	13.1%
Female total population	36.4%	

Proportions receiving bonus pay



85.6%



78.9%

Quartile pay bands

	Men	Women
Upper	76.7%	23.3%
Upper middle	62.6%	37.4%
Lower middle	59.9%	40.1%
Lower	55.3%	44.7%
Overall	63.6%	36.4%

- We employed 1,056 full pay relevant employees in ESO on 5 April 2023.
- The ESO mean hourly pay gap has improved to 9.2% from 12.3% last year.
- Female representation has increased to 36.4% from 24.0% last year.



Our **mean** hourly pay gap has improved since 2022

National Grid Electricity Distribution (NGED) South Wales

Statutory disclosure

2023

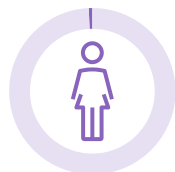
NGED South Wales

	Median	Mean
Gender hourly pay gap	10.6%	12.4%
Gender incentive pay gap	96.0%	97.1%
Female total population	14.2%	

Proportions receiving bonus pay



1.8%

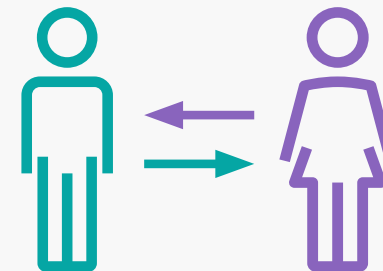


0.7%

Quartile pay bands

	Men	Women
Upper	91.9%	8.1%
Upper middle	91.7%	8.3%
Lower middle	85.1%	14.9%
Lower	75.3%	24.7%
Overall	85.8%	14.2%

- We employed 1,081 full pay relevant employees in NGED South Wales on 5 April 2023.
- The mean hourly pay gap has remained stable compared to 2022 and 2021 figures.
- The incentive pay gap is being driven by outliers, which, given the lower proportion of employees receiving bonus pay, is significant. NGED also changed over National Grid's bonus year, which meant that only part-year bonus payments are reflected in the incentive pay gap in 2023.
- Female representation has increased overall across all NGED entities.



The **mean hourly** pay gap has remained stable

National Grid Electricity Distribution (NGED) South West

Statutory disclosure

2023

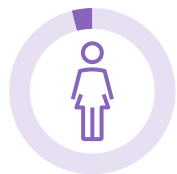
NGED South West

	Median	Mean
Gender hourly pay gap	10.5%	10.5%
Gender incentive pay gap	76.2%	-80.2%
Female total population	18.2%	

Proportions receiving bonus pay



3.1%



4.0%

Quartile pay bands

	Men	Women
Upper	90.1%	9.9%
Upper middle	88.4%	11.6%
Lower middle	77.5%	22.5%
Lower	71.7%	28.3%
Overall	81.8%	18.2%

- We employed 1,786 full pay relevant employees in NGED South West on 5 April 2023.
- The mean hourly pay gap has improved to 10.5% from 11.2% last year.
- The incentive pay gap is being driven by outliers, which, given the lower proportion of employees receiving bonus pay, is significant. NGED also changed over National Grid's bonus year, which meant that only part-year bonus payments are reflected in the incentive pay gap in 2023.
- Female representation has increased overall across all NGED entities.



Our **mean incentive** pay gap has improved since 2022

National Grid Electricity Distribution (NGED) West Midlands

Statutory disclosure

2023

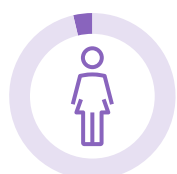
NGED West Midlands

	Median	Mean
Gender hourly pay gap	4.3%	4.2%
Gender incentive pay gap	78.9%	64.4%
Female total population	15.1%	

Proportions receiving bonus pay



1.3%



3.7%

Quartile pay bands

	Men	Women
Upper	85.8%	14.2%
Upper middle	88.9%	11.1%
Lower middle	85.6%	14.4%
Lower	78.8%	21.2%
Overall	84.9%	15.1%

- We employed 1,793 full pay relevant employees in NGED West Midlands on 5 April 2022.
- The mean and median hourly pay gap has improved from 2022 (4.5% and 5.5% respectively).
- The incentive pay gap is being driven by outliers, which, given the lower proportion of employees receiving bonus pay, is significant. NGED also changed over National Grid's bonus year, which meant that only part-year bonus payments are reflected in the incentive pay gap in 2023.
- Female representation has increased overall across all NGED entities.



The **mean and median** hourly pay gap has improved

National Grid Electricity Distribution (NGED) East Midlands

Statutory disclosure

2023

NGED East Midlands

	Median	Mean
Gender hourly pay gap	9.4%	8.7%
Gender incentive pay gap	89.1%	70.7%
Female total population	21.3%	

Proportions receiving bonus pay



1.9%

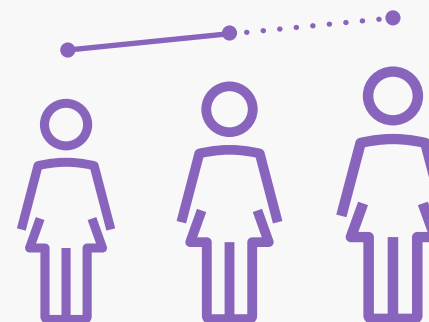


2.5%

Quartile pay bands

	Men	Women
Upper	84.4%	15.6%
Upper middle	81.8%	18.2%
Lower middle	78.6%	21.4%
Lower	71.1%	28.9%
Overall	78.7%	21.3%

- We employed 2,041 full pay relevant employees in NGED East Midlands on 5 April 2023.
- Female representation has shown a slight increase on last year.
- The incentive pay gap is being driven by outliers, which, given the lower proportion of employees receiving bonus pay, is significant. NGED also changed over National Grid's bonus year, which meant that only part-year bonus payments are reflected in the incentive pay gap in 2023.
- Female representation has increased overall across all NGED entities.



**Female representation
continues to increase** from 2022

Conclusion

At National Grid, we are fully committed to creating a work environment where people are treated fairly and where everyone feels respected, valued and empowered to reach their full potential. Our mission is to build a business that represents, reflects and celebrates the cultures and communities we serve. Our aspiration is to always have workplaces that are diverse and where the values of equality and inclusion are championed.

The UK Gender Pay Gap reporting is one aspect of how we define equality of compensation. In addition, an equal pay review is undertaken in the UK and US to ensure equal pay is provided for equal work. National Grid is also an accredited Living Wage employer in the UK and Tier 1 Living Wage accreditation was obtained last year in the US. This year's report shows our work to enhance Diversity, Equity and Inclusion (DEI) across the organisation continues to increase. We're proud to see clear progress in our DEI commitments through various initiatives and creating genuine and lasting equality in our workplaces. We're committed to continuing to improve further and to be among the most inclusive, diverse and equitable companies in business.

Thank you for taking the time to read this document. The Board of Directors of National Grid plc has reviewed and approved the National Grid 2023 Gender Pay Gap results for the 12 month reporting period ended as at 5 April 2023. We confirm that the information and data provided is accurate and in line with mandatory requirements. The overall UK 'Gender hourly pay gap' and 'Gender incentive pay gap' forms part of selected ESG information to be published within National Grid's Responsible Business Report 2023/24 and will be subject to limited independent assurance by PriceWaterhouseCoopers LLP ("PwC"). The Responsible Business Report 2023/24 and the PwC assurance opinion will not be published until May 2024 and will then be available [here](#).

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