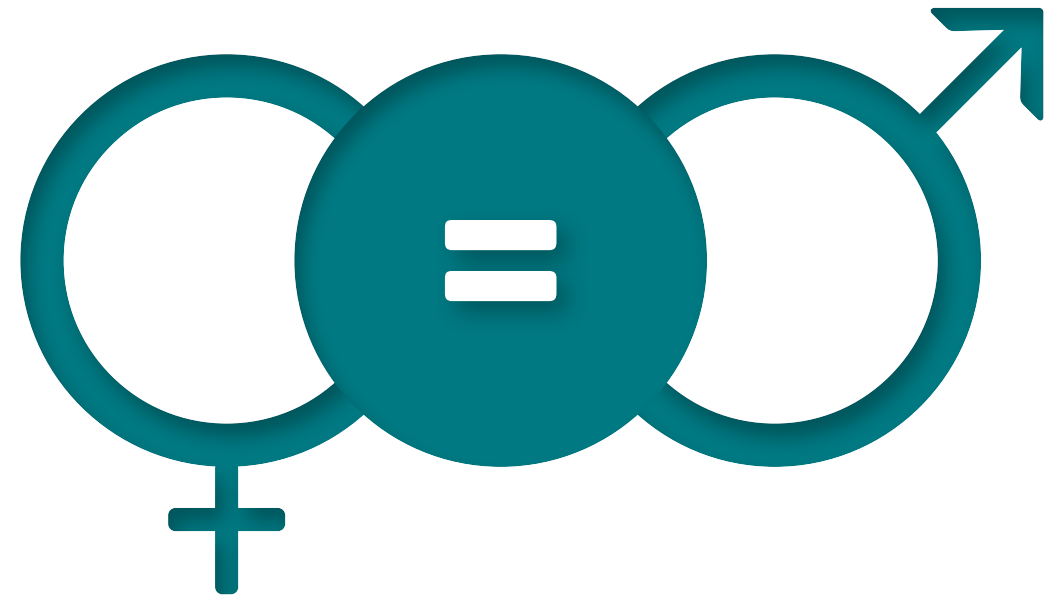


Gender pay gap report

Network Rail's gender pay gap has been calculated in line with Government regulations. The report is based on a snapshot of data as of 31 March 2023 and covers activities between April 2022 – March 2023.



2023

This report is prepared on behalf of Network Rail Infrastructure Limited, a member of the Network Rail Group of companies owned by Network Rail Limited.

We are pleased that our Gender Pay gap has decreased, for the second year in a row, falling by 1.6 per cent, to 9.3 per cent. Our pay gap remains lower than the average UK pay gap of 14.3 per cent¹, and this is the first time our pay gap has reached single digits, which represents a positive step forward for our organisation.

Encouragingly, the reduction in our pay gap is a result of an increased proportion of women in our senior roles. But we know that there is still more to do. That's why we've introduced new targets for female representation in our highest leadership positions, have remained committed to delivering our development programmes for women, and are working to make our application processes for roles more inclusive.

The railway has for decades been a male dominated industry, but we are committed to changing this. We know that organisations with diverse workforces perform better, but only when

there is an inclusive culture. Inclusion remains a core priority for us, and we have made great strides this year to support women's physical and psychological safety, improve our facilities, and upskill our colleagues on allyship towards women. Our progress has seen us being announced as a Times Top 50 Employer for Gender Equality in 2023 for the third year in a row – an achievement which we are very proud of.

This report identifies some of the key work we are doing to increase female representation and inclusion at Network Rail. And we are dedicated to continuing on this journey.



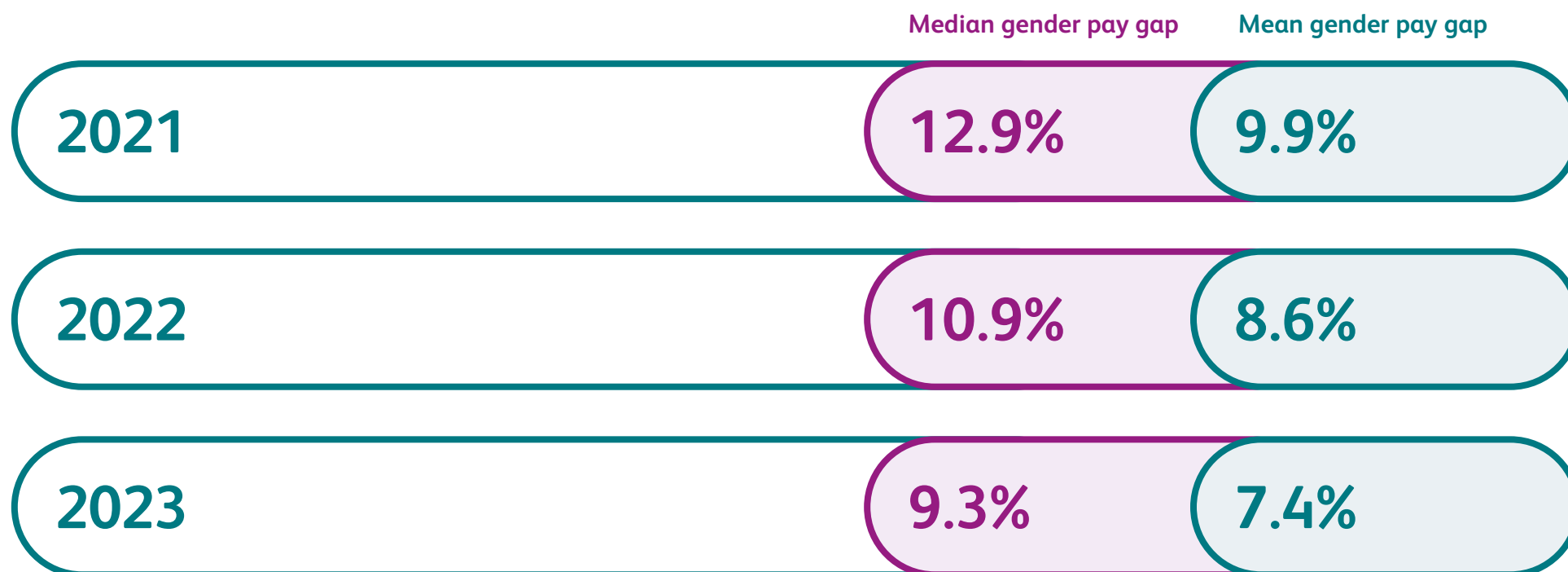
Michelle Handforth

Executive Sponsor of our Gender Matters project

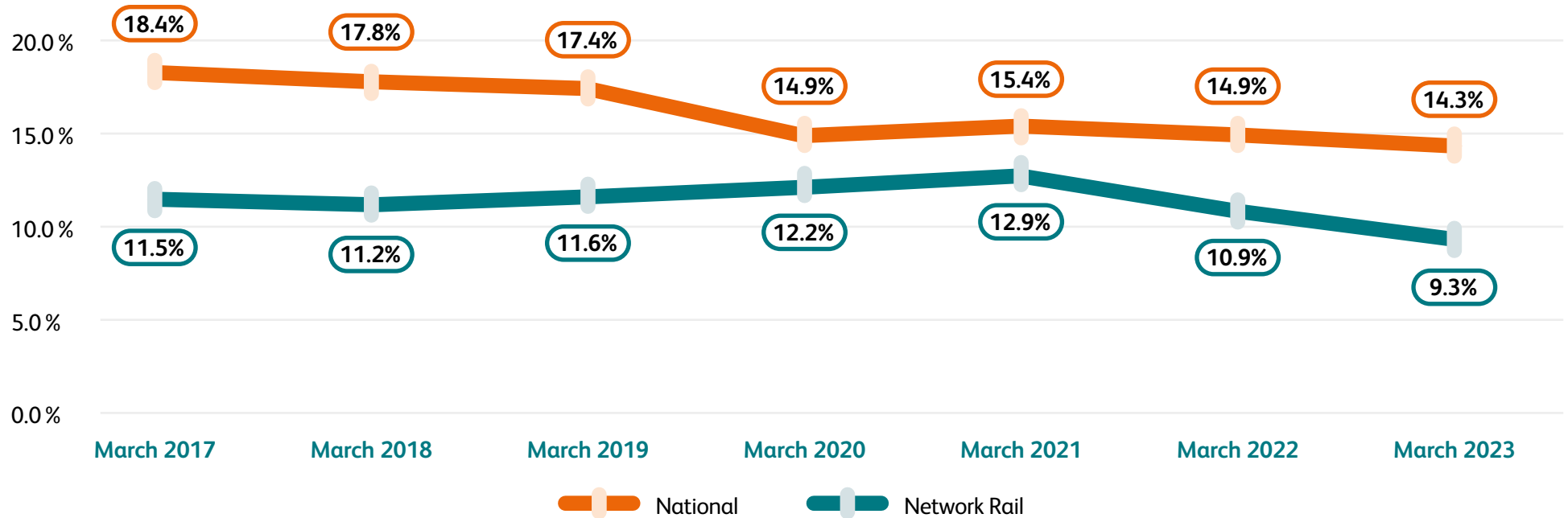
Our gender pay gap

Our median gender pay gap continued to decrease this year, falling by 1.6 per cent to 9.3 per cent. This is the first time our median pay gap has reached single digits. Our mean pay gap has also decreased by 1.2 per cent to 7.4 per cent.

Despite Network Rail's overall workforce decreasing by 1.8 per cent compared to the previous reporting period, our female workforce has increased by 1.5 per cent. Encouragingly, we have seen the proportion of females in management roles increase this year. This has contributed higher female representation in our higher paid roles which has resulted in a decrease in our gender pay gap.



Median pay gap



Difference between mean and median

We look at both the mean (average) and median (middle) for pay gap reporting. The mean difference is the difference in average hourly pay, adding all pay rates together and dividing by the total number of people. The median difference is the difference in hourly pay between the middle paid (the person at the mid-point if you were to line all employees up from low to high pay) male employee and middle paid woman employee. The median is the most representative measure as it stops a small amount of very high or low salaries skewing the results.

A pay gap exists because of an imbalance in the proportion of men and women across all levels of the organisation. At Network Rail, we have a greater proportion of men in higher paid roles. Therefore, the average rate of pay for a man is higher than a woman's, resulting in a pay gap. This is not the same as equal pay where it is the legal requirement for men and women to be paid the same for performing the same work or work of equal value.

Throughout this report, we use the terms 'males' and 'females' rather than 'men' and 'women'. This is because our pay gaps are calculated based on sex and not on gender identity. We do this, as we hold sex data on 100 per cent of our colleagues, so we're able to get a valuable insight into our pay gap.

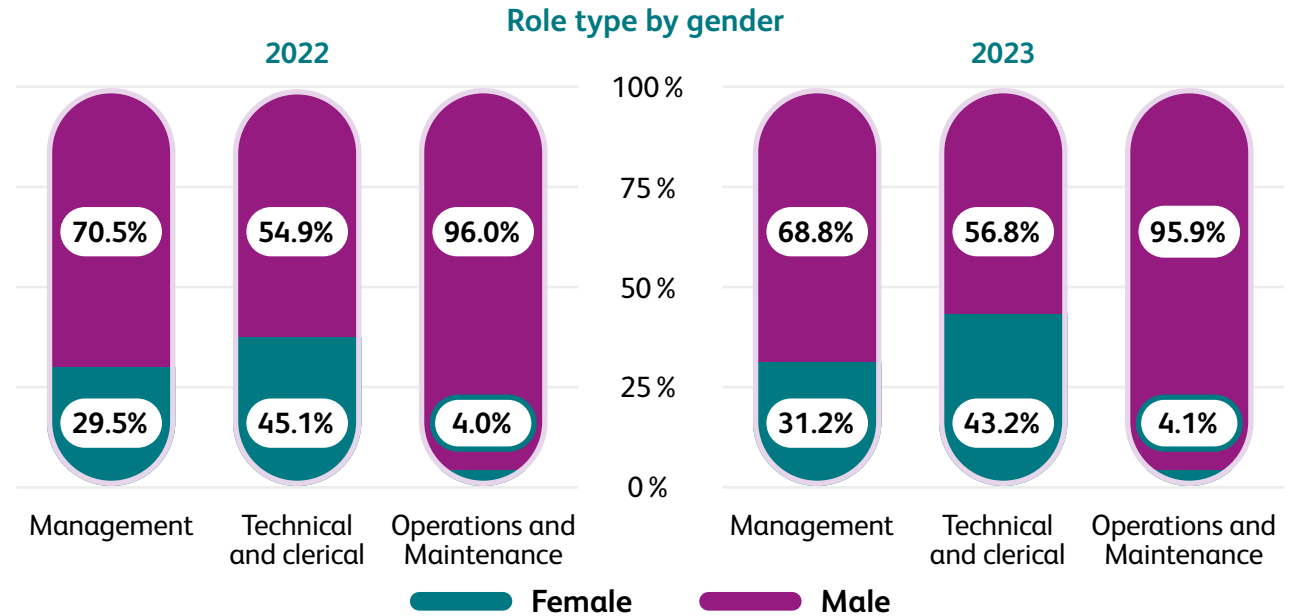
Population changes

Positively, since 2022, the proportion of female colleagues in management grades increased by 1.7 percentage points. Conversely, the proportion of female employees within technical and clerical grades has decreased by 1.9 percentage points. The lowest proportion of women sit in our operations and maintenance roles.

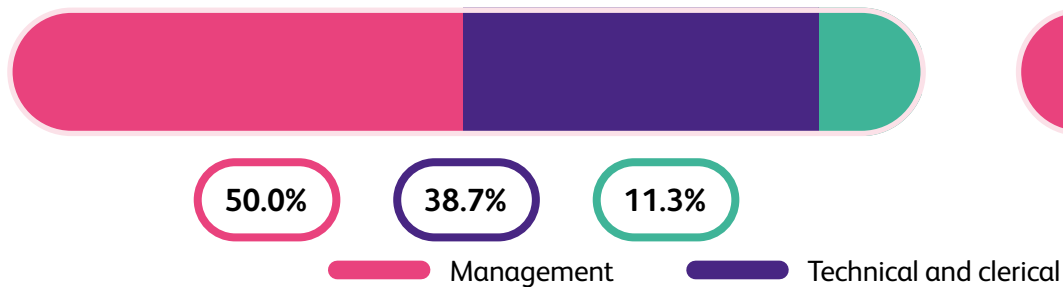
Of our female colleagues, 50 per cent sit in management roles – this is a 2.5 percentage point increase on last year.

The proportion of men in management grades is 26 per cent – this also increased since last year, but not at the same rate as women, with just a 0.4 percentage point increase.

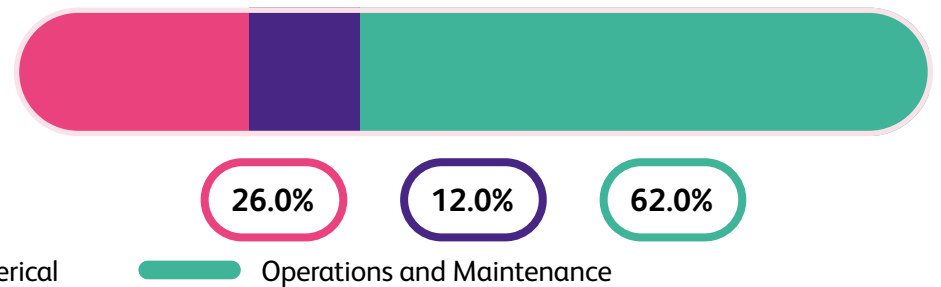
The proportion of female colleagues in technical and clerical and operations and maintenance have both fallen slightly since last year.



Female population by role type



Male population by role type



Headcount by quartiles

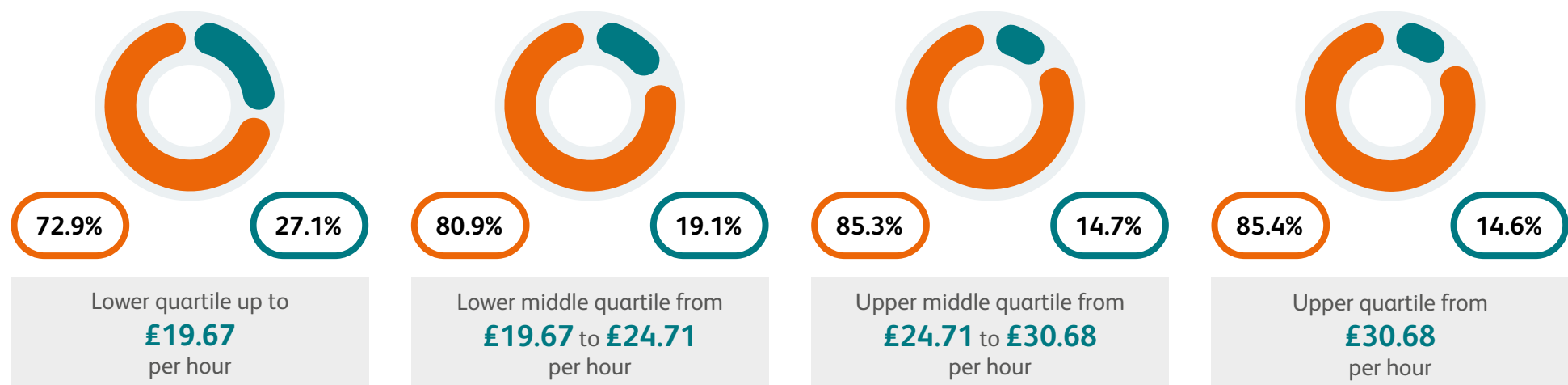
In the 2022/23 reporting year, Network Rail's workforce decreased by 1.8 per cent. Despite this, there was an overall increase in headcount of our female colleagues, 1.5 per cent compared to a 2.6 per cent decrease for male colleagues.

We split our lowest to highest paid employees into four groups (quartiles):

- Senior managers and leaders generally sit in the upper quartile.
- Middle managers mostly sit in the upper middle quartile.
- Technical and clerical grades are predominantly in the lower and lower middle quartiles.
- Operations and maintenance roles can span across all four quartiles due to the wide range of roles.

Female representation in the upper and upper mid quartiles increased this year (by 0.7 per cent and 0.3 per cent respectively) which has increased the average hourly rate of pay received by women and reduced the gender pay gap. This was further contributed to by a decrease in the proportion of female colleagues in the lower quartile. Some of this increase was offset by a 2.2 per cent increase in the proportion of females in the lower mid quartile.

Females are still better represented in the lower and lower mid quartiles than in the upper and upper mid quartiles, which is why a pay gap still exists. By addressing female representation at all levels of Network Rail, we intend to close our gender pay gap over time.



Female Male

Gender Performance Related Pay gap

At Network Rail, our 'bonus scheme' is called Performance Related Pay. For the purposes of this report and to stay consistent with internal terminology we will refer to any bonus payment as Performance Related Pay (PRP).

Female colleagues who received PRP



Mean gender PRP gap



Male colleagues who received PRP



No PRP received

Received PRP

The mean gender PRP gap is -35.1 per cent. This means that women received more on average by way of PRP in this year's pay gap reporting period than men.

Network Rail has two main PRP schemes; the Annual Performance Related Pay (APRP) scheme for management grades and the General Performance Related Pay (GPRP) scheme for what we call the general grades i.e. technical and clerical, and operations and maintenance. The calculations in this pay gap report only include the payments in relation to the 2021/22 performance year which were paid in the 2022/23 pay gap reporting period.

Due to the ongoing pay negotiations in 2022 and 2023, payments under the GPRP scheme were delayed and have not been included in the calculations within this report. The payments were subsequently paid in

the 2023/24 reporting period and will influence next year's pay gap report. However, a small number of employees, who have contractual terms and conditions which were carried over from British Rail, received payments in this reporting period. These are predominantly white colleagues.

Payments were made under the APRP scheme to employees who worked in management roles during the 2021/22 scheme year.

As our female colleagues are well represented in management roles, almost half (45.4 per cent) our female colleagues received a payment under the APRP scheme. Our male colleagues are much better represented in our general grades so only 26.9 per cent of men received an APRP payment. This is why we have a negative PRP gap this year.

Intersectionality

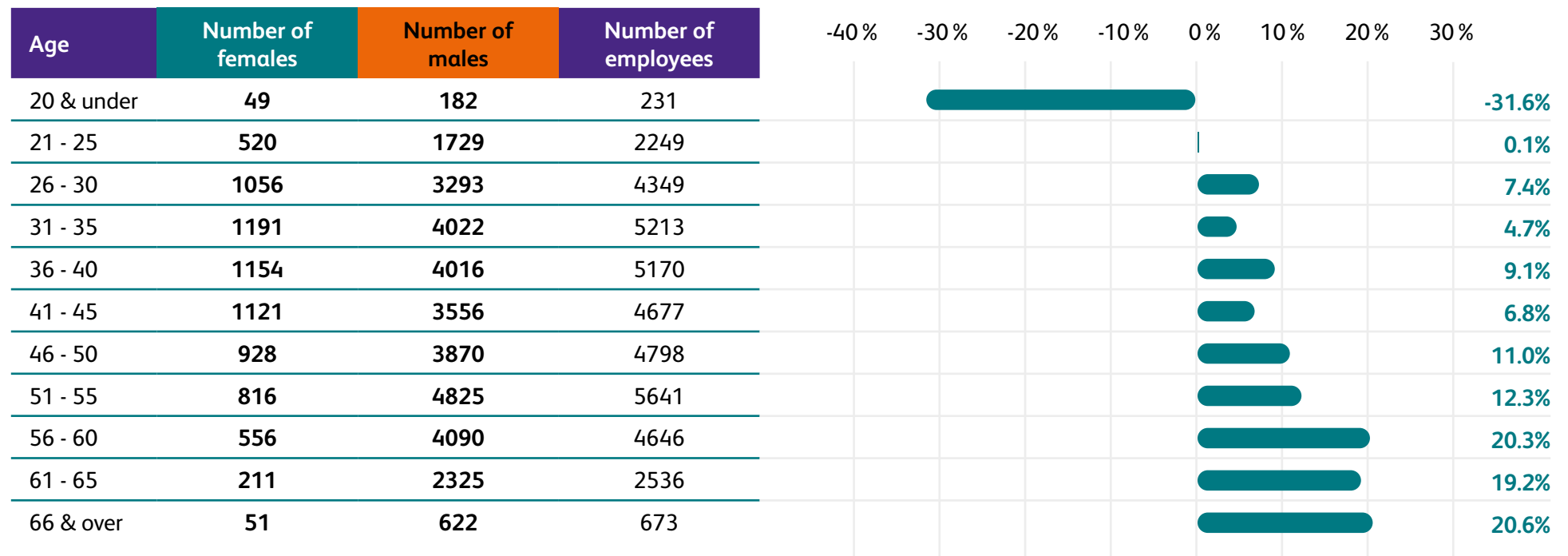
Intersectionality means looking at how various social identities (protected characteristics) are interconnected.

Gender pay gap by age

Examining the pay gap between male and female colleagues of the similar age shows an increasing trend as the age brackets increase, with the highest gender pay gap in the 66 & over category. However, there are a small number of employees in this bracket compared to the other age brackets which skews the data. This is also the case for the 20 and under category.

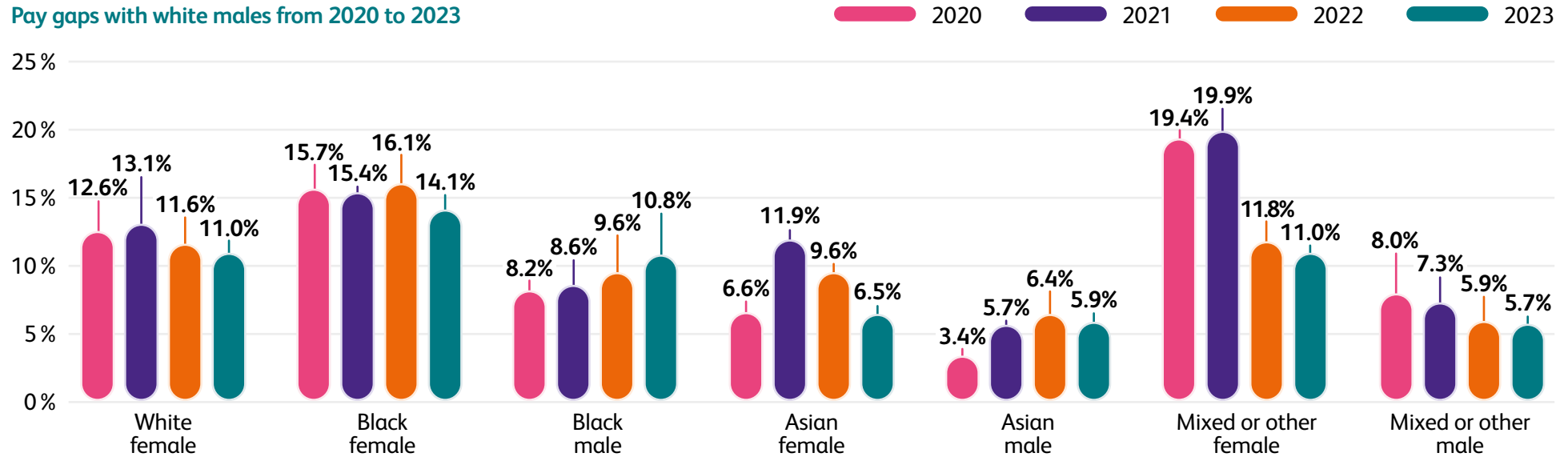
Our 20 and under age group is also skewed by the large apprentice population within Network Rail who are mostly made up of young men on the lowest pay scale, resulting in a negative gender pay gap.

Network Rail workforce by age and gender



Gender Pay Gap by ethnicity

Pay gaps with white males from 2020 to 2023



Males compared to white males

The pay gap between white male and black males continues to increase year on year. This year the pay gap has increased by 1.2 percentage points to 10.8 per cent.

The pay gap between Asian and white males fell for the first time this year, by 0.5 percentage points to 5.9 per cent. And the pay gap for males from a 'mixed or other' ethnic background versus white males has continued to decline with a 0.5 percentage point decrease on last year to 5.7 per cent.

Females compared to white males

This year, the pay gaps between white males and females decreased within all minority ethnic groups. The largest pay gap reduction was for females from an Asian background with a 3.1 percentage point fall, followed by a 2 percentage point fall in the pay gap for Black females and 0.8 percentage point fall in the pay gap for females from a mixed or other ethnic background.

Despite the decrease since last year, the pay gap continues to be highest for female employees from a black background at 14.1 per

cent. Whilst the population of employees within this group is relatively small and therefore sensitive to large fluctuations, we have delivered targeted projects to support the progression of our black female employees, and this continues to be a priority for us.

Overall, all female categories have a greater pay gap compared to their male equivalent groups. This is why our Gender Matters project is critical to reducing our pay gaps at Network Rail and we are committed to dismantling the barriers that our female colleagues face.

LGBT+ pay gap

In addition to understanding our gender pay gap, we also look at our lesbian, gay, bi-sexual, trans and plus (LGBT+) workforce to attempt to understand our pay gap between LGBT+ employees and non-LGBT+ employees. In 2022 we added new gender identity options to our diversity data monitoring forms. This data is not included here, but we are encouraging colleagues to use these new options and intend to include this in our analysis in future years.

We are pleased to report that LGBT+ disclosure rates have increased this year to 34.8 per cent, up from 27.8 per cent last year. Now, 1.8 per cent of our workforce have shared they are LGBT+ and 33 per cent have shared they are not LGBT+. However, about two thirds (65.2 per cent) of our workforce still have not shared their LGBT+ status.



Encouragingly, the LGBT+ pay gap decreased from 5.5 per cent last year down to 4 per cent this year. However, with only a third of the workforce disclosing their LGBT+ status and 1.8 per cent sharing they are LGBT+, we know that the LGBT+ pay gap is sensitive to fluctuations. This is why we are committed to increase information sharing to improve the accuracy of our reporting.

This year we have launched a new LGBT+ Project to demonstrate our commitment to LGBT+ inclusion, and to show our colleagues how sharing data benefits all of us.

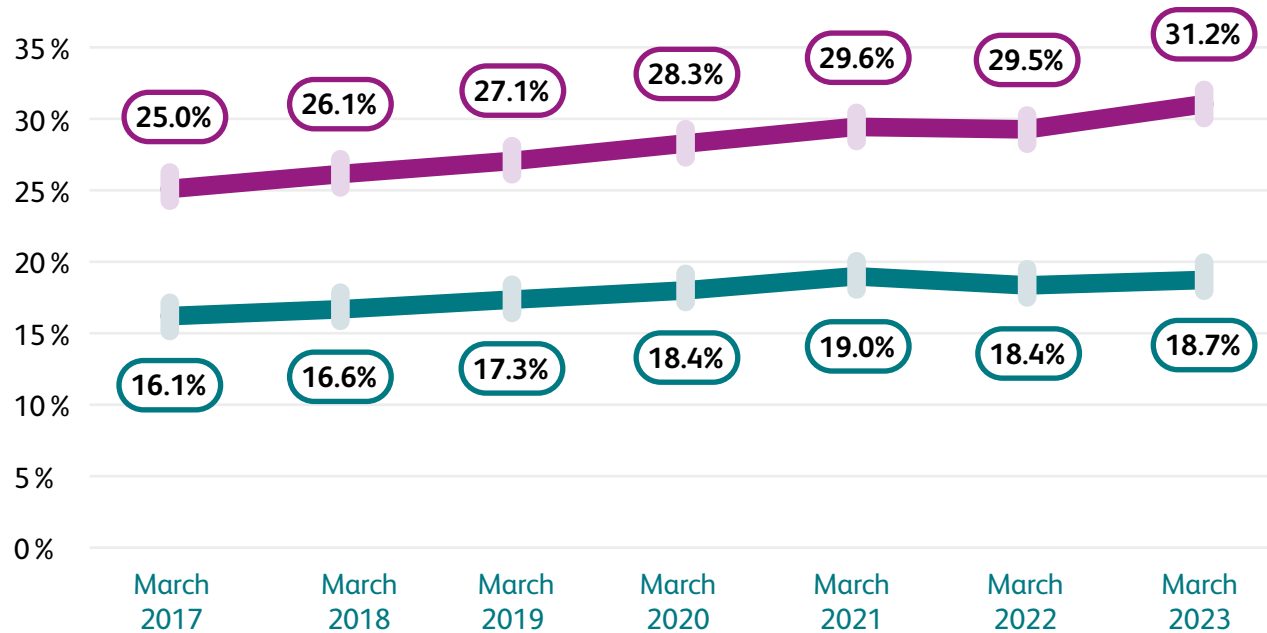
- 1.8% Shared they are LGBT+
- 33.0% Shared they are non-LGBT+
- 62.5% Have not shared any information at all

LGBT+ Median Pay Gap
4.0%

Gender Matters



We're delighted to see a promising increase in the number of women within our workforce, both in general roles and management positions. While this is a step in the right direction, we're committed to going even further by a creating safe and inclusive workplace where everyone feels valued and heard.

“As the project leader, my dedication to gender equality, diversity, and inclusion (EDI) goes beyond intentions; it’s about driving real change, dismantling systemic barriers, and ensuring that our work environments, policies, and approaches make the railway industry a more welcoming and inclusive space for women.”



Dannielle Dickens

EDI specialist and Gender Matters project lead

-  Females in management
-  All females

Our Gender Matters project is a vital part of our Equity, Diversity and Inclusion (EDI) strategy, known as 'Everyone Matters,' which spans from 2019 to 2024. It aims to remove the barriers that we know women encounter within Network Rail. It builds upon the foundations laid by our initial strategy, created in 2014, when the female representation in our workforce stood at 14.23 per cent. By 2019, women comprised 17.30 per cent of our workforce, and our ambitious target for 2024 is to raise this figure to 26 per cent.

We have also set aspirations to improve gender diversity within our management roles and we've made commendable progress, moving from 29 per cent in 2021 to 31 per cent in 2022. Moreover, female representation in our highest senior leadership positions, has grown from 25 per cent to 26 per cent in 2022.

As well as improving our diversity, we are also placing increased emphasis on 'intersectionality'. This means we want to understand our people through all of their characteristics, for example, our menopause project is looking at how both age and gender can cause specific challenges for our colleagues. For the fourth year, we've published intersectional pay gap data in this report, demonstrating our commitment to understanding our employees and their challenges more fully.



We're thrilled that for the third consecutive year, we have earned a place in the esteemed Times Top 50 Employers for Gender Equality. However, we know that there is still much work to be done to ensure that each and every one of our employees and candidates is able to realise their full potential. The Gender Matters project has various focus areas, which aim to attract, recruit, retain and progress women. Increasingly, we are also working to remove barriers for our colleagues with different gender identities. The following sections explain what we've been doing over the last year to make Network Rail a better, more inclusive place through the Gender Matters project.



Psychological safety

Our gender equality employee network, Inspire, conducted a survey which identified a need to review the tools, support and guidance we provide to keep women psychologically and physically safe while at work. As a result, we are developing a workplace violence policy, an updated bullying and harassment policy and new, standalone sexual harassment guidance.

The sexual harassment guidance was published in early 2022 as part of a campaign to end sexual harassment at work from either colleagues or members of the public. We expanded the campaign to our industry, working with over 35 other transport organisations to build confidence amongst staff to report sexual harassment without fear of victimisation. We have done this through industry wide 'lunch and learn' sessions supported by our trade unions, employee networks and our Health and Wellbeing team.

We are a White Ribbon accredited organisation, which means we stand against violence against women and girls. This year, we have produced a 'conversation starter toolkit' with guidance on how to talk about violence against women, held a companywide one-minute silence marking White Ribbon Day, hosted a programme of events, and worked with train operating

companies to wrap trains in white ribbons to raise awareness. On White Ribbon Day 2022, our Chief Executive joined with senior leaders from 16 other industry bodies, to discuss prioritising women's safety on public transport, and women's experiences of sexual harassment at work.

We've also become a signatory member of the Employers Domestic Abuse Covenant (EDAC). We are the first in the transportation industry to sign up. EDAC is designed to create positive, long term and sustainable solutions to women affected by abuse, by supporting them to enter or re-enter the workplace. EDAC is committed to identify employment opportunities including, workplace skills development, job opportunities, work experiences and mentoring. We have leveraged our position as industry leader and influenced four other companies in our industry to become EDAC members.



Allyship and Inclusion

Our gender equality employee network, Inspire, conducted a survey on the experiences of women in Network Rail. This led to a collaboration with Women in Science and Engineering and the wider industry at a 'round table' event to identify a way forward for the industry. As a result, Network Rail's 'Allies for Inclusion' project was formed, which is aimed at educating, informing, and equipping ourselves and our industry colleagues with the tools to challenge inappropriate behaviour and sexism.

The Allies for Inclusion project has been endorsed by the Gender Matters Project Executive Sponsor and has been co-created with an industry working group. Over the last year, the project has developed new employee training using short films which contain real lived experiences from a diverse range of colleagues and allies. They explore issues around inappropriate banter, personal protective equipment (PPE), welfare, safety and sexual harassment. The training has been designed to be flexible so that it can be delivered in a variety of work environments.

Alongside the training, this project will deliver informative posters, and will provide practical tips on how to be an ally.



part of our employee networks

Supporting parents and carers

In 2022, we updated our Family Friendly policy to include five days of unpaid leave for carers to use on planned appointments. This will allow working carers to fulfil their caring duties while keeping their annual leave days and having a better work-life balance.

Alongside the policy, we launched a 'Carer Passport' to make sure that carers receive consistent support across the business. Carers use the passport documents to agree the flexibility they need with their line manager. The passport is then saved in the employee's personnel file and can be taken into new roles under new line managers. This gives new line managers visibility of the agreed flexibility and how the carer's needs have been managed previously.

These initiatives added to our existing support for carers, and two guides that we have on how line managers can support carers and parents in the workplace. After introducing the new carers leave policy and passport, our employee network group for carers saw their membership increase by 10.3 per cent within one month. Lucy Martin, a shift station manager working in Birmingham New Street station said 'My staff have been really happy to see that were embracing, supporting and taking time to understand carers in our work force, it actually brought one person to tears and he said that he feels like a weight has been lifted by being able to talk about this openly.'

At Network Rail over 1000 colleagues have shared that they are a carer. This information allows us to understand our employees better and has led to collaborative events between our employee networks for carers, family matters, and disabled colleagues for world autism awareness week. Working together means that the impact of our work can reach more of our people and have a greater impact.

Progression



In 2022, we ran an industry-wide mentoring scheme for women in junior roles. 56 per cent of mentees were either promoted or moved roles since the programme began and 59 per cent of mentees said that the programme increased their confidence at work. This year, the number of participants of the programme has increased by 89 per cent.

Alongside this programme, we've also run a Women in Leadership programme, which supports women in middle management roles to move into senior leadership roles. 33 per cent of participants in programme, have gone on to progress in their careers. We are committed to continuing to support the progression of our female staff and providing them with tools to progress.

We have continued to enhance our 'Empowering Talent' tool, which is a national career development portal designed to help employees to take ownership of their careers, take meaningful steps to achieve their goals, connect them with opportunities and raise their profile across Network Rail. Linked with their employee record, the tool helps managers and colleagues to continue to prioritise development and progression. The toolkit includes 'how to' guides on for line managers, including videos on how to have good career development conversations, action plans and reflective learning guides - all of which is supported by bite-sized training videos and virtual classroom training. Communications on the tool have been targeted at minority groups to encourage their participation and support their progression.

In 2023 we are conducting an inclusion audit of our entire recruitment process to help us to identify potential sources of inequality in our process. We are committed to taking action based on the audit findings to create a recruitment process which addresses and removes barriers that we know Black, Asian and minority ethnic candidates face.

By making our processes more inclusive by design and providing additional career development support, we aim to improve female leadership representation and reduce our pay gap over time.

Two-way mentoring

Later this year, we will be launching our fourth national reciprocal mentoring programme. Unlike traditional mentoring, EDI reciprocal mentoring is a two-way mentoring process. Our leaders have been deepening their understand of colleagues' lived experience on topics including what it is like to be a frontline woman, black woman or lesbian working at Network Rail. They have in turn been supporting their mentoring partners with their career development. Both leaders and mentors have benefitted from the programme, with one colleague on the programme said:

“This programme has been amazing. Working closely with a leader has given me the confidence to discuss my career development. I now have a succession plan and I’m doing an apprenticeship in operations management.”



We've been working on developing our PPE offering following these findings and have made significant developments to improve its inclusivity and sustainability.

Menopause-Friendly PPE: Menopause is a natural phase of life that can pose challenges in the workplace. To ensure our colleagues can remain focussed and confident at work, we are introducing a line of menopause-friendly PPE. These eco-conscious garments are designed to alleviate discomfort, for example, the lightweight materials keeps colleagues cool during hot flashes.

Maternity Wear PPE: For expectant mothers within our workforce, we take pride in offering maternity wear PPE that not only prioritises safety and comfort but also aligns with our eco-friendly ethos. We're also developing PPE with different fits and cuts to suit a wider range of colleagues.

PPE Hijab: We respect the diverse cultural and religious backgrounds of our colleagues and we have developed a sustainable PPE Hijab and modest tunic. Our objective is to empower every employee to perform at their best without compromising their beliefs.

Eco-Friendly Materials: In addition to our dedication to inclusivity, we are firmly committed to environmental sustainability. Our latest inclusive range of PPE is crafted from eco-friendly materials – this is a conscious step to reduce our environmental footprint and contribute positively to our planet.

Inclusive PPE

It's really important to us that our colleagues feel comfortable in their uniform and Personal Protective Equipment (PPE), and that it meets their individual needs. That's why we ran a companywide survey asking our people how we could improve our PPE.

- 30 per cent of employees surveyed said that there were not enough options to fit their personal size
- 19 per cent of employees would like to use an under-helmet head covering if one was available. Of those responses 8 per cent would like the option for faith reasons
- The option to wear lightweight easy drying material for menopausal women was requested.

Celebrating women

At Network Rail, it's important that we create awareness around topics that directly impact women in minority groups. Throughout the last year, we have marked International Transgender Day of Visibility, Lesbian Visibility Day, National Coming Out Day, World Hijab Day, Ramadan, Race Equality week, South Asian Heritage Month, and Diwali.

During South Asian Heritage Month, Our ethnicity employee network group, Cultural Fusion, ran excellent and engaging virtual 'Masala Chai Break' sessions covering topics of discussion such as Domestic Abuse in South Asian communities and 'What is Cultural Appropriation?'

We've also celebrated various events with our passengers, to bring greater social awareness to some of these important issues. For example, we marked Menopause Awareness Month at Birmingham New Street Station, and we were at Kings Cross Station celebrating International Women's Day.

Cost of living crisis

We have launched Financial Wellbeing Guidelines for line managers, to understand where support would be best targeted. We reached out to our employee network and asked for input from their members. The guide includes materials through which line managers can offer support and signpost to additional resources covering wellbeing, debt management, mortgages etc.

We've increased employee benefits to include savings on supermarkets, shopping, home & garden, motor related, utilities.

On International Women's Day we delivered a session in collaboration with Women's Wealth UK around empowering women economically and expanding the appropriate financial services, products, and access for women.





Archway

Archway is our employee network for LGBT+ people and allies. Over the last two years it has supported its 1400+ members with events and training. Including the information on the pay gap for LGBT+ colleagues this year is another way in which we are trying to better understand the different needs of women in our business. Whilst the gender pay gap looks at pay disparities in a binary way (male/ female), at Network Rail our aim is to create an environment where employees of all gender identities are treated fairly, and can progress their careers without fear or harassment, bullying or discrimination.



Inspire

Inspire is our gender equality employee network. Its vision is that women in Network Rail can feel safe, valued and supported. It has grown from under 1000 members to over 2500 in the three years thanks to bolstering its regional structure and hosting over 100 events to support female colleagues. Inspire's main focus during 2022 was building on the outputs of their 2021 members survey, where over 1000 colleagues came forward to share their experiences of working for Network Rail. This work directly led to new female PPE, a national rollout of period products and the development of an "Allies For Inclusion" campaign and toolkit for colleagues.

“We’re proud that our gender pay gap has reached single digits for the first time. This report demonstrates some of the ways that we’re making meaningful strides to create a truly inclusive workplace that embraces gender diversity at all levels. Looking ahead, we will continue to proactively work with our data insights on recruitment, promotion and retention to help us achieve our commitments to improve female representation in senior roles, and lead the shift that we want to see in our gender pay gap.

Learning from the experiences that our colleagues tell us is central to achieving this. That’s why listening to feedback, and continuous improvement are core priorities for us going forward. Alongside this, we’ll be continuing to collaborate on developing our EDI capability across the rail sector, sharing and learning from best practice so we can continue to role model high standards and expectations for our industry.”



Navleen Kalra

HR Director, Inclusion and Transformation,
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