



**Smell gas?
0800 111 999**

**Gender pay
gap report**
2025/26



We're making strong and sustained progress in reducing our gender pay gap, with our results now among the lowest in the gas distribution sector. This reflects the deliberate actions we're taking to improve representation across our organisation.

We're proud of the progress we've made and remain focused on continuing to build a more balanced workforce, supporting progression at all levels, and ensuring an inclusive environment where everyone can thrive."

Penny Meddes
Chief People Officer, SGN

At SGN, we are committed to building a more diverse and inclusive organisation. Our gender pay gap is among the lowest in the gas distribution sector, reflecting strong and sustained progress in improving representation across SGN.

This year, our mean and median gender pay gaps have both reduced again, continuing a strong and consistent downward trend over recent years. Our figures remain among the lowest across the gas distribution sector, reflecting the sustained progress we've made in improving representation across the organisation. This reflects the deliberate steps we are taking to improve representation across all levels of the organisation.

It is important to be clear that our gender pay gap is not driven by unequal pay for equal work. Instead, it reflects how men and women are distributed across different roles and levels within SGN. As we increase female representation in higher-paying roles, we expect this gap to continue to narrow over time.

While there is more to do, we are encouraged by the direction of travel and remain focused on creating a more balanced workforce, supporting progression, and ensuring an inclusive environment where everyone can thrive.

Gender pay gap

Headline figures 2025

In £ terms,

Mean gender pay gap:

6.3%

(Down from 7.0%)

Median gender pay gap:

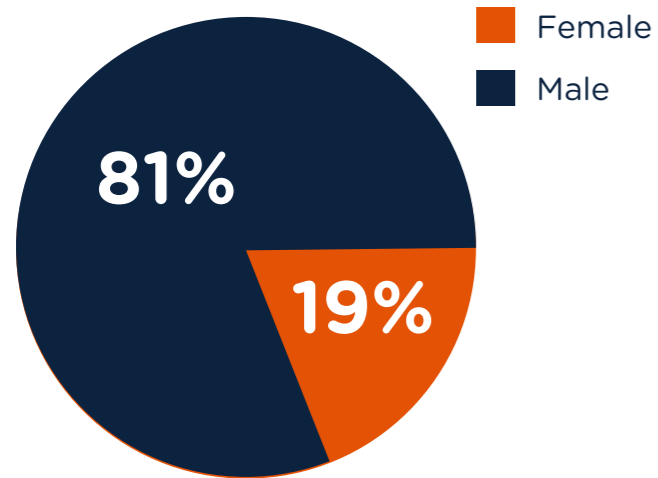
9.5%

(Down from 11.5%)

This reflects continued progress driven by improved representation of women across pay quartiles.

We continue to report at both Group and entity level in line with regulatory requirements.

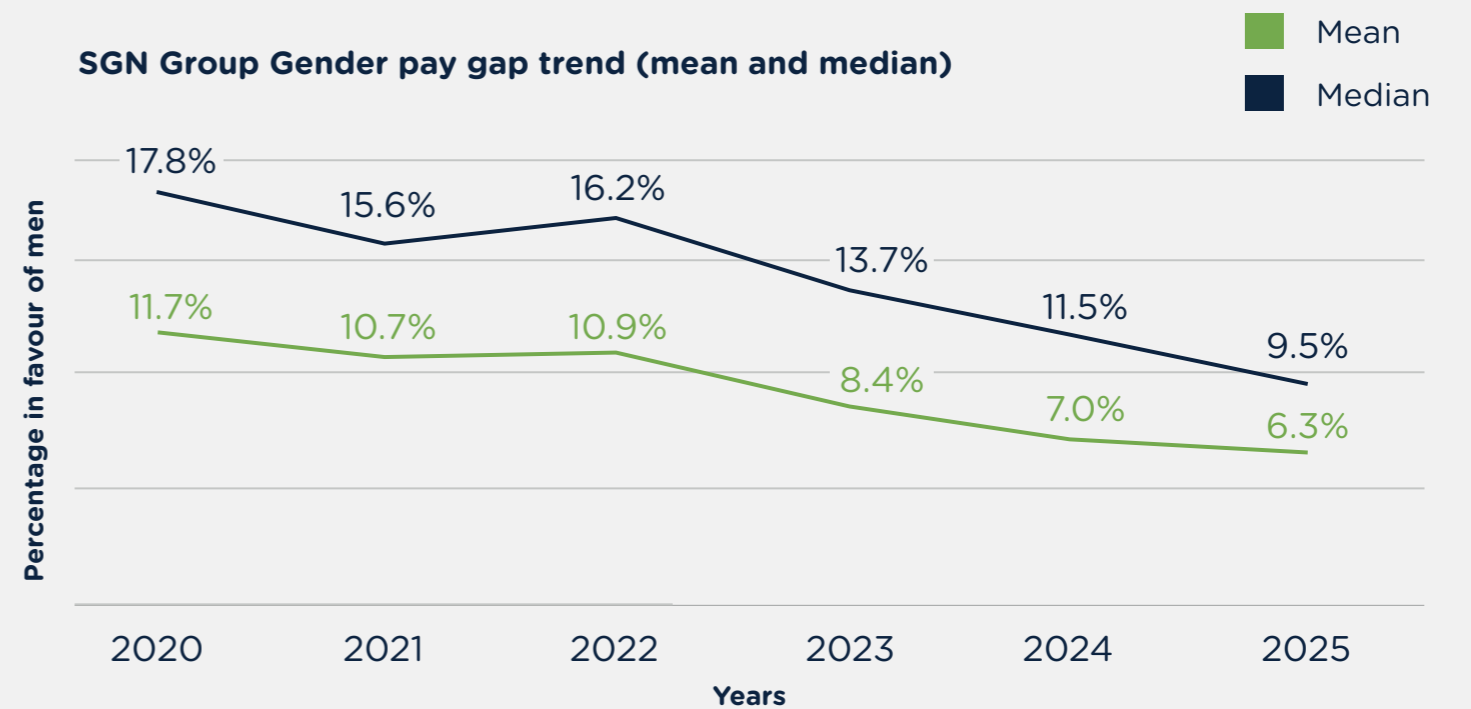
Gender Split 2025



Mean and median

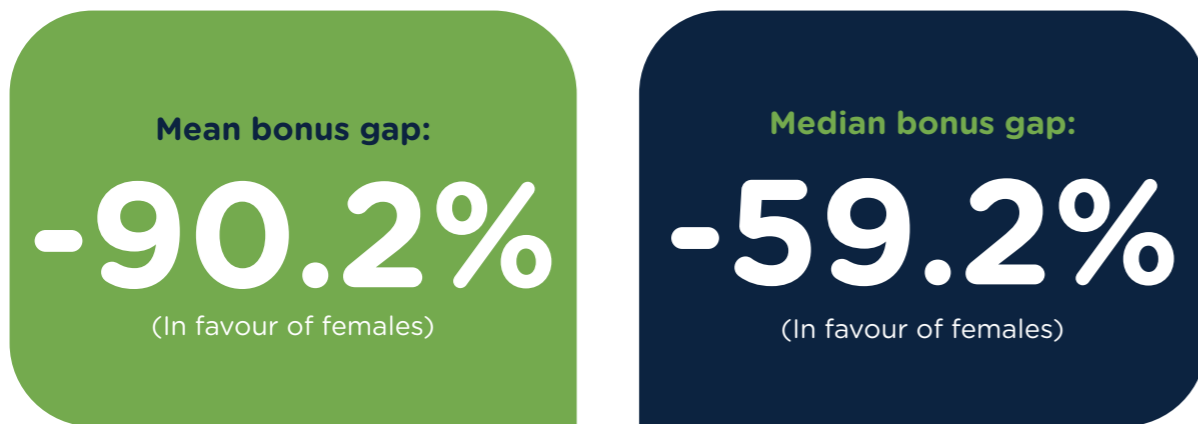
The mean represents the average across all employees, while the median reflects the midpoint of the pay distribution.

SGN Group Gender pay gap trend (mean and median)



Gender bonus pay gap

Headline figures 2025



Bonus outcomes can vary significantly year to year due to the distribution and size of payments across the organisation.

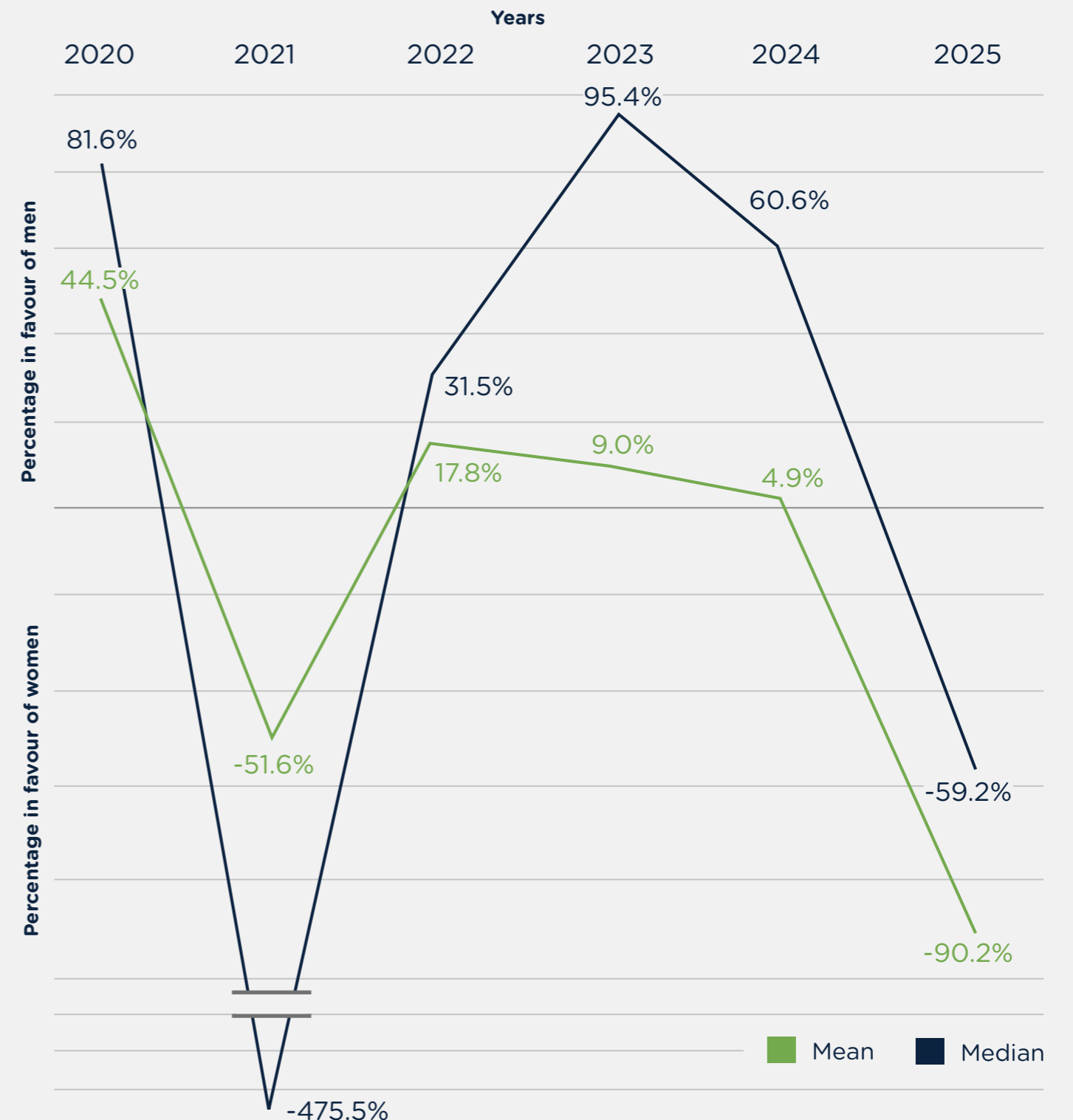
This year's figures reflect that variability, particularly given the smaller number of female employees receiving a bonus.

Overall, our pay gap trends remain positive and continue to improve over time.

Proportion receiving bonus



SGN Group Gender bonus pay gap trend (mean and median)



Representation across pay quartiles

Our gender pay gap continues to be primarily driven by the distribution of roles across the organisation.

Men remain overrepresented in operational and field-based roles, while women are more represented in lower pay quartiles. However, this is gradually improving.

We have seen a continued increase in female representation in the upper pay quartile over recent years, which is contributing positively to the reduction in our gender pay gap.

While progress is encouraging, improving representation across all levels remains a key focus.

Female
Male

Upper quartile



Lower middle quartile



Upper middle quartile



Lower quartile



Ethnicity pay gap

We are pleased to voluntarily report our ethnicity pay gap.

Headline figures 2025

Mean ethnicity pay gap:

1.3%

(In favour of other ethnicities)

Median ethnicity pay gap:

1.5%

(In favour of other ethnicities)

These gaps remain low and indicate a broadly balanced position across the organisation.

Our ethnicity disclosure rate has continued to improve and now stands at 93%, providing a strong basis for analysis.

We will continue to focus on improving disclosure further and ensuring all employees are represented in our reporting.

Representation across quartiles

Our ethnicity distribution remains broadly consistent across pay quartiles, with no significant disparities observed.

Upper quartile



Upper middle quartile



Lower middle quartile



Lower quartile



■ White
■ Other



Ethnicity bonus pay gap

Mean ethnicity bonus pay gap:

3.1%

(In favour of other ethnicity employees, a decrease of 3.0 percentage points from last year)

Median ethnicity bonus pay gap:

85.5%

(In favour of other ethnicity employees, an increase of 59.6 percentage points from last year)

Bonus participation



As with gender, bonus outcomes can vary year to year and are influenced by distribution and participation levels.

We are encouraged by the overall position and remain focused on continuing to improve representation, inclusion and data quality.

We remain committed to building a diverse and inclusive organisation that reflects the communities we serve.

As part of this, our focus is on three key areas:

Attract

- Embedding inclusive recruitment practices
- Using diverse interview panels
- Expanding access to opportunities across all levels

Develop

- Supporting progression through targeted development programmes
- Strengthening mentoring and sponsorship opportunities
- Building a strong and diverse talent pipeline

Retain & Include

- Creating an inclusive culture through employee networks
- Supporting flexible and family-friendly working
- Holding leaders accountable for delivering progress

As we look ahead, we have a significant opportunity to further diversify our workforce and continue building an inclusive organisation for the future.

2025/26 Full group results, by legal entity

SGN Business entity	Proportion of males and females in entity	Hourly pay gap		Proportion of men and women in each quartile pay band				Bonus pay gap		Proportion of men/ women receiving bonus pay
		Mean pay gap	Median pay gap	Upper quartile	Upper middle quartile	Lower middle quartile	Lower quartile	Mean pay gap	Median pay gap	
SGN Group	Male: 81% Female: 19%	6.3%	9.5%	M: 81% F: 19%	M: 88% F: 12%	M: 86% F: 14%	M: 70% F: 30%	-90.2%	-59.2%	Male: 63% Female: 24%
SGN Contracting	Male: 80% Female: 20%	4.8%	9.9%	M: 80% F: 20%	M: 86% F: 14%	M: 86% F: 14%	M: 69% F: 31%	-127.9%	178%	Male: 59% Female: 18%
Scotland Gas Networks Plc	Male: 91% Female: 9%	16.7%	12.9%	M: 92% F: 8%	M: 92% F: 8%	M: 95% F: 5%	M: 84% F: 16%	36.2%	7.9%	Male: 96% Female: 93%
Southern Gas Networks Plc	Male: 90% Female: 10%	-0.6%	7.9%	M: 94% F: 6%	M: 93% F: 7%	M: 81% F: 19%	M: 91% F: 9%	-191.5%	5.4%	Male: 98% Female: 96%