



Closing the Gap

Gender and Ethnicity Pay Gap Report 2024



LNER
LONDON NORTH EASTERN RAILWAY

In this report

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Fast facts

3,234

colleagues



43.3%

of all colleagues
are **women**

5%

of drivers are from
**ethnic minority
backgrounds**

10.3%

of all colleagues are
from **ethnic minority
backgrounds**

27%

of our senior
leadership are **women**

13.3%

of our drivers
are **women**

39.7%

of apprentices
are **women**

6.3%

of senior leadership are from
ethnic minority backgrounds

Welcome from David Horne

Overview

Gender
pay gap

Ethnicity
pay gap

A better
journey



We can all perform at our peak when everyone feels they can belong.

David Horne
LNER Managing Director

A message from our Managing Director, David Horne

Working together can help create an inclusive, supportive, and empowering environment, so we can all perform at our peak and where everyone feels they can belong. Our purpose of "Putting heart into everyone's journey" aims to make sure all colleagues can thrive in a workplace where everyone feels welcome, valued, and safe.

In 2024, our median gender pay gap was 15.7%, up slightly from 15.2% in 2023. However, our mean gender pay gap improved from 22.7% in 2023 to 21.2% in 2024. Achieving a more balanced representation in senior leadership and driver roles is essential for closing our pay gaps. We are actively implementing attraction and development strategies to support this goal. In 2024, women constituted 43.3% of our workforce, showing progress towards our target of 45% by 2025. This target includes increasing the proportion of women in driver roles from 13% to 15%.

Ethnicity reporting in the UK is voluntary, but we are committed to transparency. In 2024, a little over 10% of our employees are from ethnic minority backgrounds.

Although this number is increasing each year, it does not yet fully represent the diversity of the communities we serve, and we have plans to address this. Our median ethnicity pay gap decreased from 12.1% to 6%, and our mean ethnicity pay gap dropped from 14.2% to 11.6%, showing progress in reducing underrepresentation.

We have introduced a new EDI strategy, supported by key pillars and a comprehensive action plan. A key aspect of this plan is listening to our people, to get the changes right including through our employee-led inclusion networks which have grown considerably since 2023. We have several networks: Empower (women), ManKind (men's wellbeing), Elevate (race and ethnicity), Together (LGBTQ+), and Nurture (families). We are training our leaders to foster an inclusive culture, reviewing our cultural norms, and setting clear behaviour expectations. Improving equity, diversity, and belonging is a shared responsibility at LNER.



A message from Paula Bullock

Championing gender balance

At LNER, we are deeply committed to fostering a workplace where everyone has equitable access to resources, opportunities, and support, enabling them to thrive and pursue fulfilling careers. This commitment underpins our efforts to identify and address barriers that may hinder people from reaching their full potential. By building an inclusive and supportive environment, we aim to ensure every voice is heard and valued.

As the proud sponsor of Empower, our women's network, I am passionate about championing initiatives that empower women across LNER. Through a collaborative and intersectional approach, Empower works to amplify women's voices, build allyship among men, and create a culture that recognises and supports the diverse experiences of all employees.



Empower
our women's network



I am passionate about championing initiatives that empower women across LNER.

Paula Bullock
People Director and sponsor of
Empower, LNER women's network

In 2024, Empower made significant strides by launching a menopause toolkit to support our colleagues during key life transitions, introducing work placement opportunities to open doors for women across our industry, and participating in a mentoring scheme to nurture the next generation of leaders. These achievements are a testament to our collective commitment to progress and equity.

As we look to 2025 and beyond, our focus remains on building upon this momentum. By continuing to drive meaningful initiatives, we aim to close gender disparities, foster allyship, and ensure LNER is a workplace where everyone can thrive—together.





A place to belong

At LNER, inclusion means creating a workplace where everyone feels valued, and diverse perspectives are actively encouraged to inform decision-making. And where we can learn more about and celebrate what is important to each other. This principle is fundamental to our culture and critical to the success of our organisation.

I am honoured to serve as the executive sponsor of Elevate, the LNER race and ethnicity network, which plays a pivotal role in advancing our commitment to inclusion. Through the network's work we will enrich our workplace with a diversity of perspectives to drive innovation, foster understanding, and cultivate mutual respect. This commitment goes beyond ethical responsibility—strengthening our resilience and adaptability in an ever-evolving world.

Through Elevate, we will continue to raise awareness and celebrate different cultures and traditions, hosting a diverse range of events and observances throughout the year. By giving colleagues, a platform to share their lived experiences, we hope to inspire meaningful conversations and promote education that helps to bridge divides and foster unity.

Equity is not just a goal; it is a cornerstone of who we are at LNER. By embracing it, we build a stronger, more inclusive organisation that thrives on the unique contributions of every team member. Together, we are shaping a workplace where diversity is celebrated, and inclusion drives our success.



Elevate

our race & ethnicity network

“
**Equity is not just a goal;
it is a cornerstone of who
we are at LNER.**

Danny Gonzalez
Chief Digital Officer and sponsor of Elevate,
LNER race and ethnicity network



Gender and ethnicity pay gap overview

Definitions

What is the gender pay gap?

The gender pay gap reflects the difference in average hourly earnings between men and women, shown as a percentage of male earnings. This gap varies due to factors like the number of men and women in senior roles. The Government Equalities Office requires organisations to report their mean and median gender pay gaps, bonus gaps, and pay distribution across quarters.

What is the ethnicity pay gap?

This report examines the ethnicity pay gap, which reflects the difference in pay rates between white full-pay relevant employees and full-pay relevant employees from ethnic minority backgrounds. The analysis employs the same measures used for reporting gender pay gaps. In the context of the United Kingdom, the term "ethnic minority" encompasses all ethnic groups except the white group.

How the mean pay gap is calculated

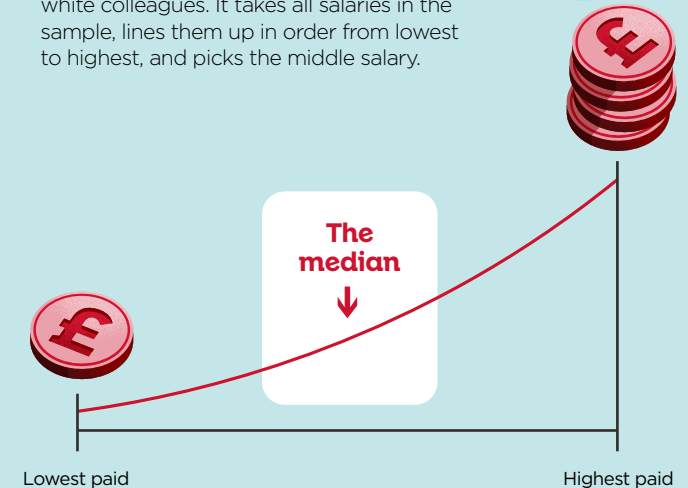
The mean gender pay gap confirms the difference between the average hourly earnings of men and women. The same approach is applied to establish the difference between the average hourly earnings of ethnic minority colleagues and white colleagues.

How the bonus pay gap is calculated

The bonus gap is calculated using actual bonuses paid to colleagues for the 12 months from 1 April 2023 to 31 March 2024. The mean bonus, median bonus and overall gap is calculated using the same formula as hourly pay.

How the median pay gap is calculated

The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. The same approach is applied to establish the difference between the midpoints in the ranges of hourly earnings of ethnic minority colleagues and white colleagues. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle salary.



Gender and ethnicity pay gap overview

Gender identity

The current gender pay gap legislation mandates reporting based on binary sex categories, thereby excluding non-conforming identities.

This report focuses on pay disparities between men and women, while acknowledging its limitation in covering all gender identities. At LNER, we are dedicated to fostering gender inclusion, including the support of trans individuals and the recognition of non-binary genders. We uphold the right for individuals to self-identify their gender without obligatory medical procedures.

We ensure precise recording and analysis of all pay data regardless of gender identity and actively work towards addressing any identified pay discrepancies.

Understanding Gender and Ethnicity Pay Gaps vs. Equal Pay

It's important to distinguish between gender and ethnicity pay gaps and equal pay, as they address different issues in workplace equality.

Equal pay

Equal pay refers to the legal requirement that people from different groups (Eg: men and women or employees of different ethnicities) receive the same pay for performing the same job, similar jobs, or work of equal value. It ensures fairness at the individual level by preventing pay discrimination based on gender, ethnicity, or other characteristics.

At LNER, we are committed to addressing both equal pay and the underlying causes of gender and ethnicity pay gaps. By fostering an inclusive workplace and creating pathways for growth and opportunity, we aim to ensure fairness and equity for all our employees.

Gender and ethnicity pay gaps

Gender and ethnicity pay gaps, on the other hand, reflect the difference in average earnings between groups across an organisation or sector. These gaps often result from a range of factors, such as representation in higher-paid roles, access to opportunities, or structural barriers to progression.





Gender pay gap

Understanding our gender pay gap

This year our median and mean pay gaps are as follows: the median gender pay gap is 15.7%, slightly increased from 15.2% last year, and the mean gender pay gap is 21.2%, down from 22.7% last year. Several factors influence the pay gap annually, and our data indicates that this year's figures demonstrate both progress and areas requiring improvement. We are encouraged by the reduction in the mean gender pay gap, yet we acknowledge the necessity of maintaining our focus on growing the number of women in critical roles, including drivers and senior leaders, to achieve further positive change.



Gender pay gap

Our results

The data below is taken from a snapshot date of 31 March 2024.

Overall, the total number of women at LNER has improved in 2024, reflecting a positive trend towards gender balance. However, our median pay gap has remained between 15 and 16% for the past three years. This year this was driven by an increase in the percentage of women in the lower quartile, as well as a slight drop in women in the two middle quartiles. However, encouragingly there was a 1.7 percentage point increase in women in the upper quartile. This continued growth in women within our most well-paid roles is a key focus for us as we aim to increase women in train driver roles to 15% by the end of 2025, and the overall percentage of women at LNER to 45%.

Gender population by pay quartile

If we split our relevant paid colleagues into four equal quartiles, this is our gender distribution for each quartile.





Gender pay gap | Our results continued

The overall difference between men and women

	2023		2024	
	Mean (Average)	Median (Middle)	Mean (Average)	Median (Middle)
Gender pay gap	22.7%	15.2%	21.2%	15.7%
Gender bonus gap	45.1%	36.2%	66.5%	33.3%

Employees in various roles

63% men

36% women

Executive Director Level

86.7% men

13.3%

Train Driver

73% men

27% women

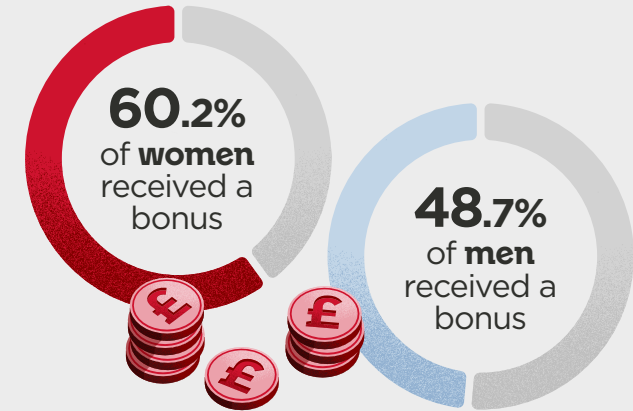
Head of Department

66% men

34% women

On Train Management

Proportion of men and women receiving a bonus



Understanding our gender bonus pay gap

This year we did see an increase in our gender bonus pay gap, even though more women than men received a bonus

Several factors contribute to these differences, including commission-based earnings in non-management roles, more men trained for contingency driving—affecting bonus gaps—and backdated bonus payments to managers due to gender distribution at senior levels. During the period measured, all managerial payments were equal, and contingency payments were a flat rate per role. With reduced industrial action in 2024/2025, we expect the gender pay bonus gap to narrow and will continue to monitor this.



Ethnicity pay gap

Understanding our ethnicity pay gap

The ethnicity pay gap reflects the difference in average pay between white and ethnic minority employees who have reported their ethnicity. This year, there has been a reduction in the median ethnicity pay gap, which has decreased to 6% in 2024. Similarly, the mean ethnicity pay gap has declined from 14.2% in 2023 to 11.6%.

Given that our ethnic minority employees constitute only ten percent of our workforce, the pay gaps are sensitive to fluctuations due to the relatively smaller sample size. As we work towards increasing representation, we anticipate not only reduced fluctuations but also a further decrease in the pay gap.



Ethnicity pay gap

Our results

The data below is taken from a snapshot date of 31 March 2024.

While we welcome improved ethnic minority representation, especially in upper quartiles, overall numbers remain below expectations. Train Drivers in the upper quartile are 5.8% ethnic minority, impacting the pay gap. We aim to raise this to 10% by 2025, a target already met across LNER, and will outline steps to achieve it in key roles.

In 2024, 36% of job applications came from ethnic minority candidates, up from 32% in 2023, reflecting greater diversity. Improved reporting has reduced unknown/prefer not to say responses, building confidence in race and ethnicity discussions—key to our EDI action plan.

Ethnicity population by pay quartile

Here is our ethnicity distribution, split into four equal quartiles for paid colleagues. For clarity, we combined 'Unknown' and 'Prefer not to say' into one category.





Ethnicity pay gap | Our results continued

The overall pay gap and bonus gap differences between white and ethnic minority employees in 2024 in comparison with 2023.

	2023		2024	
	Mean (Average)	Median (Middle)	Mean (Average)	Median (Middle)
Ethnicity pay gap	14.2%	12.1%	11.6%	6%
Ethnicity bonus gap	43%	13.7%	47.7%	16.4%

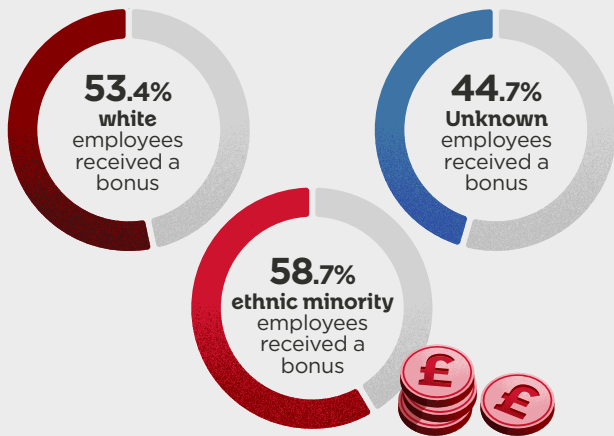
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a total of 95% of our workforce have shared their ethnicity data with us.

As of the snapshot date, 31 March 2024, a total of 95.6% of our workforce have shared their ethnicity data with us. This is an increase from 93% in 2023, and we want to continue to make more colleagues feel comfortable to share this information so we have an accurate view of our workforce and can make informed decisions around how to further improve.

	As a percentage
White	85.3%
Ethnic Minority	10.3%
Unknown or prefer not to say	4.4%

Proportion of employees receiving a bonus



Understanding our ethnicity bonus pay gap

This year, our data indicates an increase in both the mean and median bonus gaps compared to 2023. This is largely due to contingency payments during industrial action.

With ethnic minority employees comprising ten percent of our workforce, the bonus gap is sensitive to fluctuations due to the smaller sample size. Last year, 399 white colleagues and 38 ethnic minority colleagues received contingency payments for safety-critical roles. The lower number of ethnic minority colleagues trained for these duties has affected the bonus gap. Efforts to ensure our Driver populations reflect our broader workforce will help address this pay gap.

Our journey



What we are doing to make LNER a great place to work:

Our new equity, inclusion and diversity strategy focuses on three key priorities:

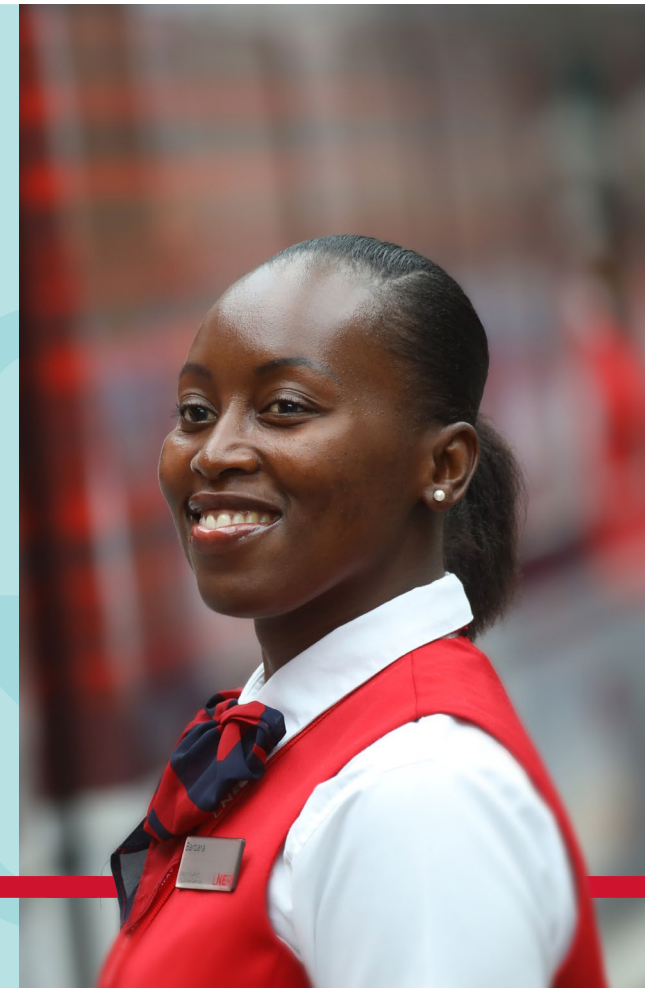
1. Leaders are confident and competent to lead inclusively and promote sector EDI leadership.
2. LNER reflects the communities we serve.
3. People feel they belong at LNER so they can deliver the best customer experience possible.

Committed to reporting on our actions openly and responsibly

Alongside the responsible business strategy, commitments and progress captured in this report, we publish a range of environmental, social and governance policies on our website. We also regularly release a range of disclosures on how we conduct our business.

Below are some of our latest reports:

- [2024 Social value report](#)
- [Sustainable Procurement Commitment](#)
- [2023/2024 Responsible Business Report](#)
- [Find out about our policies](#)



Initiatives we have focused on include:

- Refreshed our employee-led Inclusion Network and launched new subnetworks focused on gender, ethnicity, LGBTQ+, men's wellbeing, and parents and carers.
- Frequently promoted our equity, diversity, and inclusion colleague intranet page, sharing events and resources.
- Provided work placements as part of two Never Mind the Gap initiatives in partnership with Network Rail, Ganymede, and Women in Rail, and seen our first conversion into LNER.
- Rolled out active bystander and inclusive language training to our frontline colleagues.
- Rolling out inclusive recruitment training for hiring managers.
- Rolling out championing EDI training to our frontline managers.
- Monitoring and tracking representation throughout the recruitment process.
- Reviewing data to understand trends in drop-out rates throughout all stages.
- Supporting events with Muslims in Rail, an independent organisation that aims to connect, grow, and inspire people working or seeking a career in the rail industry.
- Continuing to invest in apprenticeships.
- Recognising key EDI events in partnership with our colleague networks, such as International Women's Day, Pride, Black History Month, International Men's Day, Baby Loss Awareness Week, and Disability Pride Month.

In 2023/2024 we saw progress which includes:

46%

of all successful candidates are **women** in 2023/24

36%

of applicants from an ethnic **minority background**

Year on year increase

in the number of applications from, and offers made, to candidates from **ethnic minority backgrounds**.

Data from August 2023 to August 2024



Better for people

A LNER we are committed to doing things better for our people, our places and our planet. Ensuring we are representative, inclusive and fair to each of our 3300+ colleagues is part of our commitment to being a fully responsible business. Learn more about our other work in our A better journey Programme.

→ [LNER.co.uk/A-Better-Journey](https://lner.co.uk/A-Better-Journey)





@LNER



LNERail



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LNER

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