



2024 GENDER PAY GAP REPORT

INTRODUCTION

We are delighted that the gender pay gap at the NCC has continued to narrow since the last report.

Whilst we understand that our pay gap will fluctuate over time as we try to increase the number of women working at all levels of the organisation, the overall positive trend gives us assurance that our actions to support equality, diversity and inclusion are having the desired impact.

At the NCC we are committed to building a diverse and inclusive workforce. We aim to reward all our staff fairly, regardless of gender or any other personal characteristic, and strive to ensure that all have equal opportunity and the support to grow and develop.

As a leadership team we will continue to challenge ourselves and each other to act inclusively, and we encourage accountability from all employees. We take our responsibility to lead by example seriously, instilling a positive culture and ensuring the NCC remains a desirable place to work.

As we continuously review and understand the needs of the growing organisation, I'm confident we will continue to drive this change now and over the longer term.

Tim Rose

Chief Operating Officer
National Composites Centre



WHAT IS THE GENDER PAY GAP?

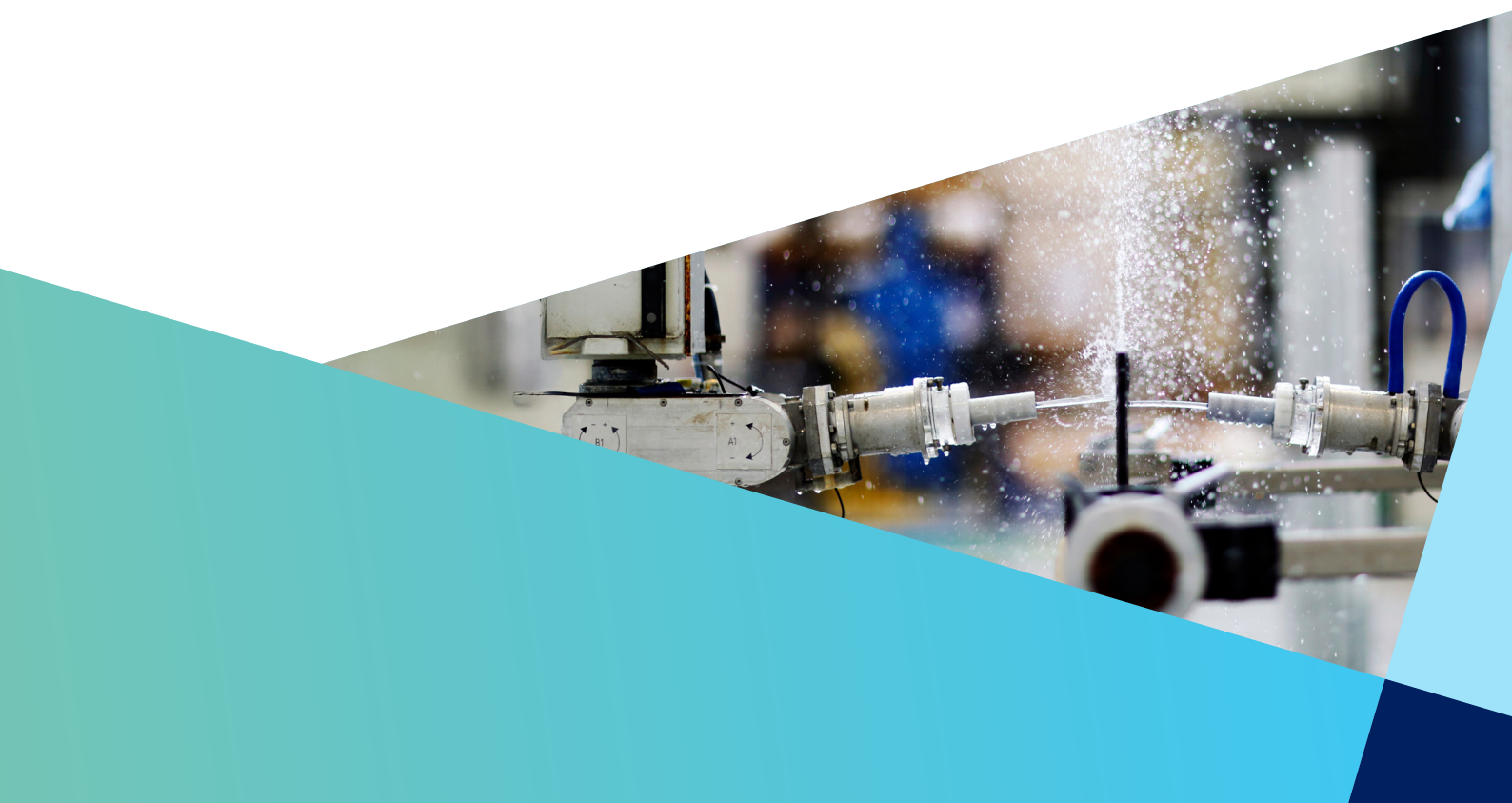
The gender pay gap is the difference between the average hourly earnings for all the men in the organisation compared to the average hourly earnings of all the women in the organisation. It is not the same as equal pay, which is a legal requirement to ensure that individual men and women are not paid unfairly for the same roles.

All companies with more than 250 employees are legally required to report their gender pay gap annually.

The figures in this report are based on a snapshot of salary data taken on 31st March annually. This report contains data from 1st April 2023 until 31st March 2024.

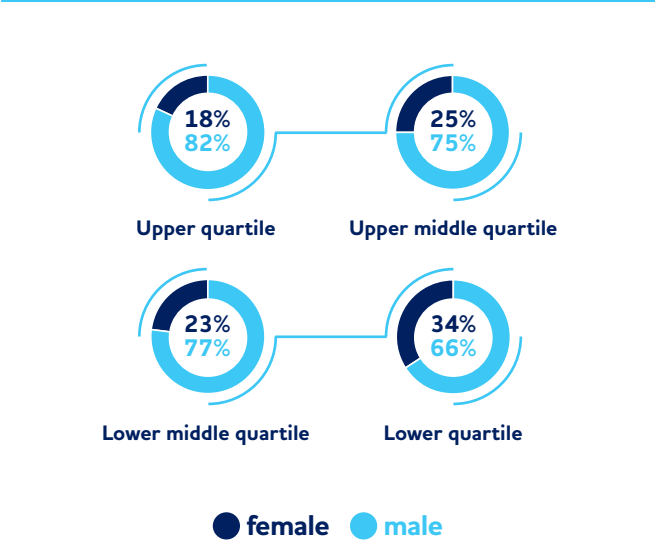
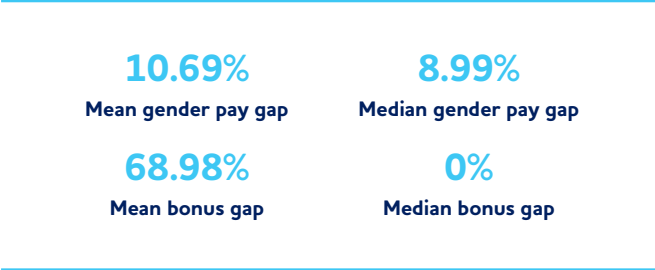
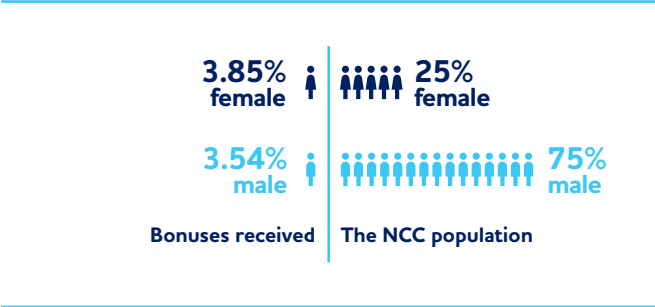
Six key statistics are shown in this report:

- The difference in average hourly pay between men and women at the snapshot dates (mean and median).
- The difference in average bonuses paid to men and women in the 12 months leading up to the snapshot dates (mean and median).

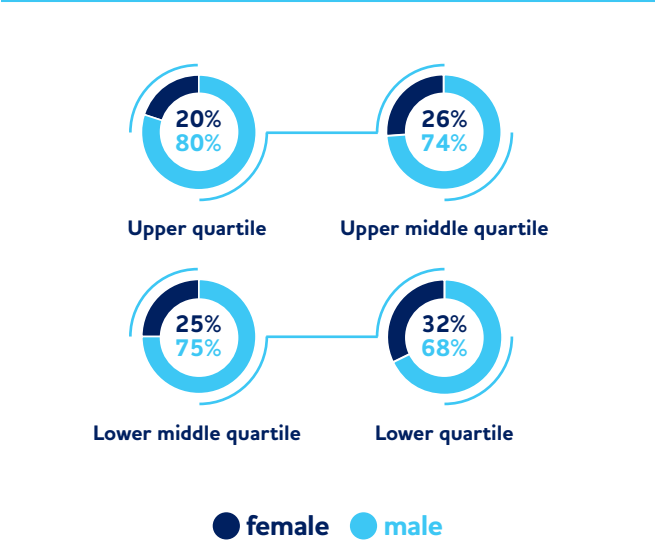
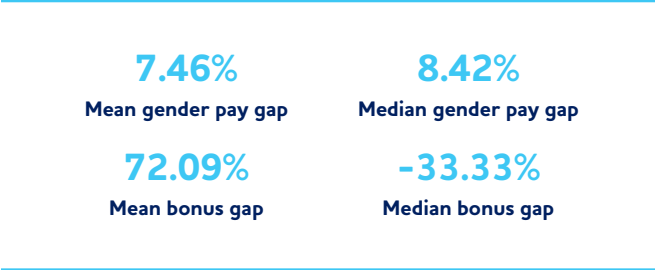
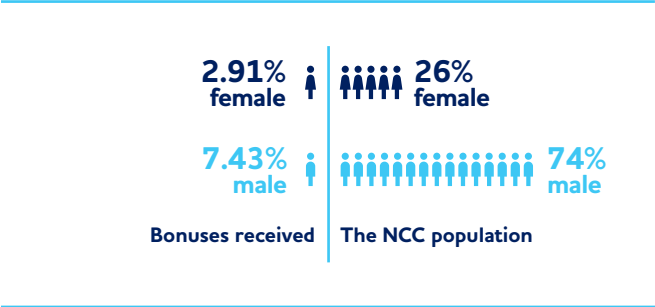


OUR FIGURES

2023



2024



WHAT DO OUR RESULTS SHOW?

The 2024 snapshot shows a further decrease in our gender pay gap.

Since we first started reporting in 2018, the gender pay gap at NCC has more than halved and we have seen a consistent positive trend toward closing the gap. Notably, the mean gender pay gap within the Engineering department is now very low at 4.66%, and the pay gap in PM has decreased by 12% in a year. We aim to eliminate the gender pay gap at NCC but recognise that there is more work to do to achieve this. Below we set out factors that have positively contributed to the decrease in the gender pay gap, challenges that account for the remaining pay gap, and what action we are taking to ensure further progress.

It is important that we understand the factors accounting for the decrease in the NCC gender pay gap over the last 12 months, so we can learn from these and maintain this positive trajectory. We believe there are numerous contributing factors, including:

1. Growing the numbers of women in the organisation

Over the last 12 months the proportion of women in the organisation has continued to increase (from 23-25%), with a marked increase in the proportion of women in our technical positions. 31% of new employees were female and the overall mean pay gap amongst new hires was in favour of women (-11%).

2. Increasing the number of women in senior roles in the organisation

We have continued to see a growth in the numbers of women in leadership positions across NCC. All three of our Board Non-Executive Directors are female, with a third of the Senior Leadership Team being female. Within the Operational teams, the top two grades (P6 and P7) have an equal gender split, and the numbers of women in senior positions within Programme Delivery (Heads of Delivery and Programme Managers) continues to increase.



3. Progression of women through career pathways

Over the last year, we have seen increasing numbers of female employees progressing within the organisation. 21% of internal moves were made by female employees, with a good proportion of women vs. men (28%) moving up into T6 grades.

We continue to face some challenges to eliminating the gender pay gap, including:

1. An increasing gender pay gap in operations roles

We are observing an increasing pay gap in operational roles, which is largely linked to higher market pay rates in areas such as IT and Finance. Attracting and developing women in these areas will be challenging in male dominated markets but is critical to combatting the pay gap.

2. Few women currently in senior technical positions

We currently have few women in the most senior technical grades including Chief Engineers, Chief Technologists, and Heads of Engineering. We are committed to nurturing talent internally to create opportunities for people of all genders to progress to the most senior technical roles. We are making some progress against this however, with consistent movement of women through the pathways this year, particularly up to T6 grades; and 50:50 gender split of new hires into T6/T7 grades.

3. Growth into the defence sector

As we continue to expand into defence and security projects, we may face challenges in identifying women with experience in what is a traditionally male-dominated sector.



WHAT ARE WE DOING TO CLOSE THE GAP?

We are making great progress, however the gender pay gap continues to exist within the NCC. We remain committed to equality, diversity, inclusion and belonging, reducing the gender pay gap, and to understanding why the gap exists.

Our analysis suggests that this is mainly due to the relative under-representation of women in technical roles, particularly in senior grades, and well as specialisms within the IT industry. Although movement has been made to decrease the gender pay gap, there continues to be under-representation in these roles, and there is also a concern that we are not seeing representation of women at early careers levels in technical apprenticeships. This trend has continued over the past few years and something our affinity groups and the STEM programme are looking to focus on.

The NCC has made great strides in EDI over the last 2 years and has achieved successes on our EDI roadmap. Activities include a wealth of education on EDI through webinars and awareness events, the development of toolkits and resources to equip and enable employees and managers to act, leadership development programmes for managers to support coaching conversations with women in the organisation, and with the support of our employee networks, spaces to allow feedback and action planning to support communities within NCC.



There are a variety of ongoing and planned activities for the coming year that we believe will continue to promote gender equality, as well as diversity and inclusion more generally. These include:

- Specific learning and development designed to equip out employees to act and advocate allyship, including allyship in action, active bystander, unconscious biases, and inclusive leadership behaviours.
- Launch our internal mentor schemes to support internal career progression for women.
- Design and run career workshops to give confidence to internal applicants going through a recruitment process.
- Run our annual inclusivity survey to understand thoughts and opinions on NCC inclusive culture to help inform EDI led activities.
- Launch our inclusive recruitment toolkit to support hiring managers.
- HR to continue to work closely with employee led women's network, to help with the review of policy and practice, and collaborate on initiatives to support Women in the NCC.
- Continue to promote flexible and hybrid working practices, enabling all staff to better balance their work around caring and other responsibilities.
- Continue the delivery of our EDI roadmap with aspirations and commitments that have been sponsored by senior leadership.
- Continue working with our colleagues in the wider High Value Manufacturing Catapult to share learning, best practice and initiatives, including the participation in EDI charter for the Catapult network.
- Continue our implementation of the STEM strategy and work with local academic institutions to inspire future generations to pursue a career in Technology and Engineering.



We recognise that we face new challenges moving into the year ahead which could impact our gender pay gap, including advancing into the defence sector which is typically an industry dominated by men. The above actions will enable us to maintain a focus on continuing the positive trajectory of our pay gap.