

2021 Gender Pay Gap Report

Introduction



The NCC, as part of the High Value Manufacturing and wider Catapult network, is working to solve some of the world's biggest challenges. To enable us to succeed we must create diverse innovation ecosystems and spaces where every individual is respected, valued, and recognised for their unique contribution. We are working closely with other Catapults and UK Government to be role models for the innovation community and whilst we are at the start of this journey, we will continue to challenge ourselves to ensure we succeed.

Gender is just one element of diversity, but it is good to see that the NCC has made progress towards narrowing the gender pay gap over the last year. We remain committed to continuing to narrow the gap and as a leadership team we will be particularly focused on challenging ourselves, as this is a key part of our wider commitment to create a diverse and inclusive organisation. I know that I can rely on our NCC employees to all do the same and I thank them for their support.

Naomi Korolanyi
Director of Business Transformation
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 two consecutive years: 2020 and 2021.

There are six key statistics that 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).
- The proportion of men and women who received a bonus payment in the 12 months leading up to the snapshot date.
- The proportion of men and women in each of four quartile pay bands.

What do our results show us?

The gender pay gap at NCC has decreased considerably over the last few years. Now at 8.5%, the mean gender pay gap is 5% lower than 12 months ago, and half of what it was in 2019. The median gender pay gap, now 4.8%, has also decreased substantially to just a third of what it was in 2019 and 2020. This compares favourably to the engineering industry's overall gender pay gap of 10.8% mean and 11.4% median.

Bonus data relates to a small number of qualification rewards that were paid under our reward policy as a result of employees successfully completing qualifications, and in the 2021 data to a £1000 'thank you' payment that was paid to all staff in December 2020. Eligibility criteria for these payments was applied fairly and consistently to male and female colleagues.

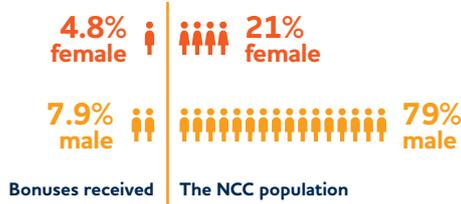
It is important that we understand the factors accounting for the steep reduction in the NCC gender pay gap over the last 12 months, so that we can work to maintain this trajectory. We believe that there are multiple contributing factors, including:

- We recruited a higher proportion of women (30%) into engineering roles than we have in previous years. This also compares favourably with the proportion of women in the engineering sector more broadly (14%).

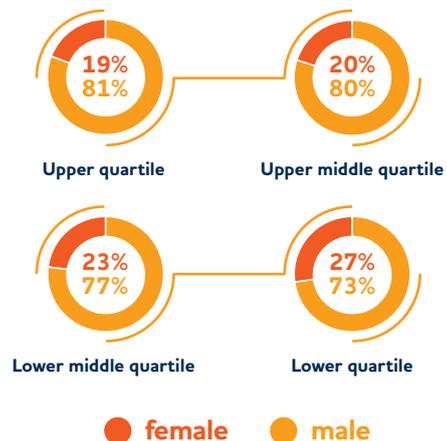
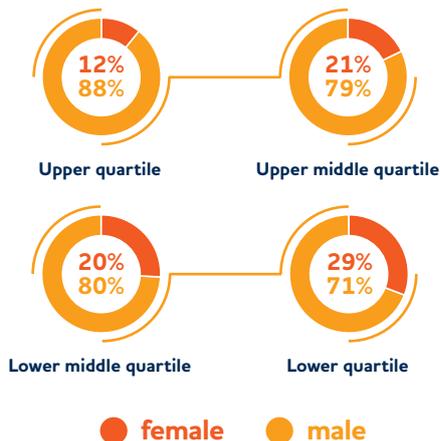
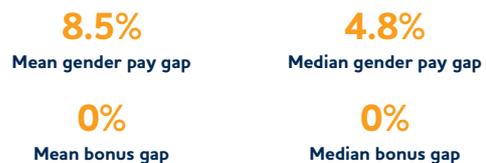
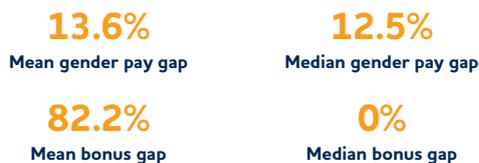
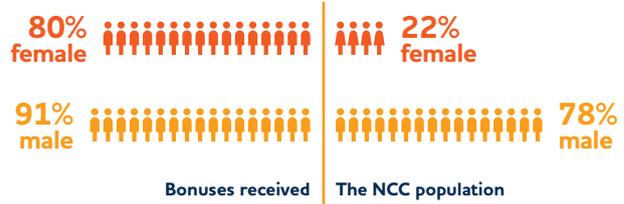
This indicates that our recruitment processes are effective and free from gender-bias, and that NCC is able to attract female engineers comparatively better than other employers in the sector.

- There has been a net growth in the proportion of women at the NCC from 20% to 22% of the population. Twice as many women have joined the NCC in the last 12 months as those who chose to leave, and those who have joined have on average been recruited into more senior roles with higher salaries than those who left.
- The same proportion of men and women (18%) were promoted within the NCC over the last 12 months, however average uplifts for women were marginally higher with seven women moving into senior grade positions (T6/P6 and above) for the first time.
- 30% of the senior leadership team is now female, and 14% of all those in the most senior grades (T6/P6 and above) are female, compared with 11% a year ago. In the most senior roles in the professional (P) grade, women now make up 50% of the population.
- As a result of the aforementioned factors, the proportion of women in the upper pay quartiles has risen from 12% to 19% over the course of the 12 months between snapshots.
- Our annual equal pay audit review demonstrates that there is pay equity within NCC, with fair pay between men and women in same or similar roles.

2020



2021



What are we doing to close the gap?

Despite having made significant progress, a gender pay gap still exists within the NCC, and we remain committed to improving this. In order to continue to do this, we must first understand why the gap exists.

Our analysis suggests that this is mainly due to the relative underrepresentation of women in technical roles, particularly in senior grades. Progress has been made over recent years, for example, we now have four times the proportion of women in the three most senior technical grades when compared to 2019 (12% in 2021 vs. 3% in 2019). We hope to see this trend continue in coming years, supported in part by the pipeline of high-potential female engineers who have been recruited through the engineering graduate programme in recent years.

There are a variety of actions planned for the coming year that we believe will promote gender equality, and diversity and inclusion more generally.

These include:

- Creation of a formal gender equality plan with specific targets and commitments.
- Training designed to support the continued development of inclusive leadership behaviours.
- The trial of flexible and hybrid working practices, enabling all staff to better balance their work around caring and other responsibilities.
- The revival of our diversity champions groups, bringing together employees from across the NCC with a shared commitment to driving improvements in diversity and inclusion.
- Better monitoring of diversity data through the unified business system to enable us to identify, and take steps to mitigate, areas of underrepresentation.
- Closer working with our colleagues in the wider HVMC to share learning, best practice and initiatives.



I confirm that the data contained within this report is accurate.

Naomi Korolanyi
Director of Business Transformation
National Composites Centre