



2023

**GENDER
PAY GAP
REPORT**

INTRODUCTION

We are delighted that the gender pay gap at the National Composites Centre (NCC) has narrowed since the last report. It is even more positive that this has happened at the same time as an increase in the proportion of women in our workforce.

We know that our pay gap will fluctuate over time as we try to increase the number of women working at all levels of the organisation, however, the overall positive trend gives us confidence that our actions to support equality, diversity and inclusion (EDI) 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, ethnicity or any other personal characteristic - we don't pay people differently based on their characteristics.

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.

I'm confident we have the right plan to drive this change now and over the longer term.

Tim Rose

Chief Financial and 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 2022 until 31st March 2023.

Six key statistics are shown in this report:

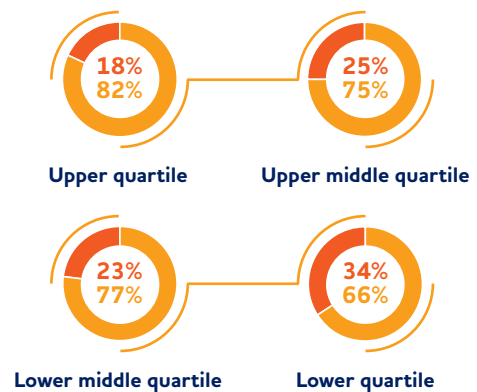
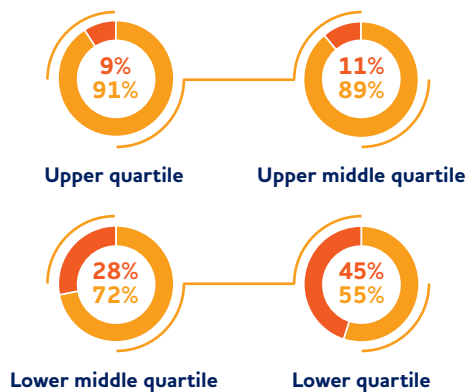
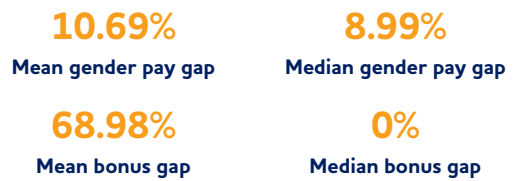
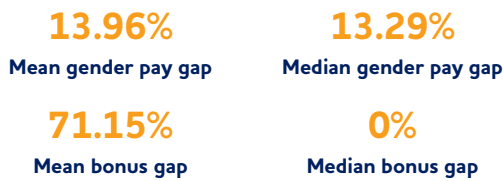
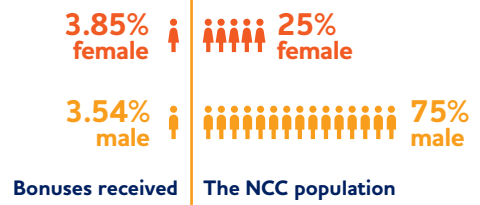
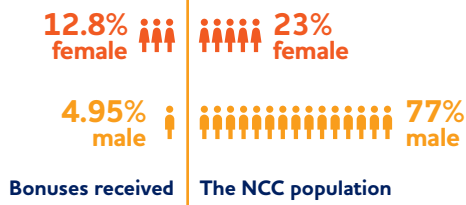
- The difference in average hourly pay between men and women at the snapshot dates (mean and median).
- The difference in average bonuses paid to men and women in the 12 months leading up to the snapshot dates (mean and median).
- The proportion of men and women who received a bonus payment in the 12 months leading up to the snapshot date.
- The proportion of men and women in each of four quartile pay bands.



OUR RESULTS

2022

2023



● female ● male

● female ● male

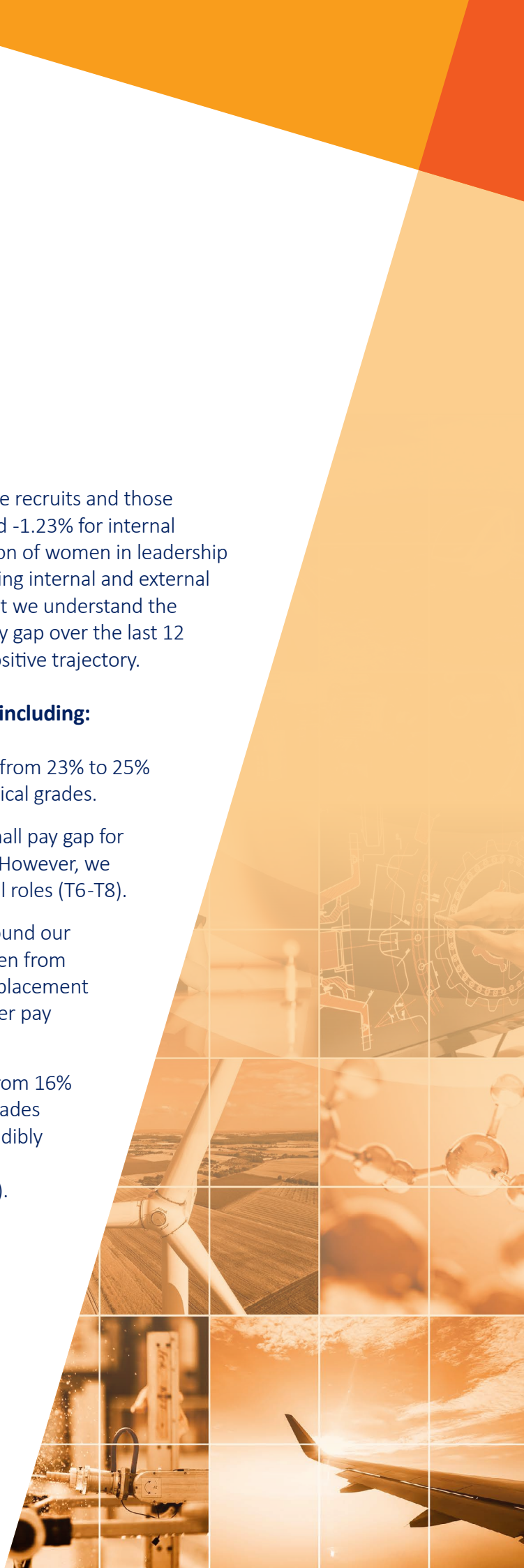
WHAT DO OUR RESULTS SHOW?

In our 2023 snapshot, the gender pay gap at the NCC has decreased.

It is positive to see a very low pay gap for both new female recruits and those progressing internally (average 2.51% for new starters and -1.23% for internal progression). It is also encouraging to see a high proportion of women in leadership positions. Where we continue to see challenges is recruiting internal and external females into senior technical positions. 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 continue to learn and maintain this positive trajectory.

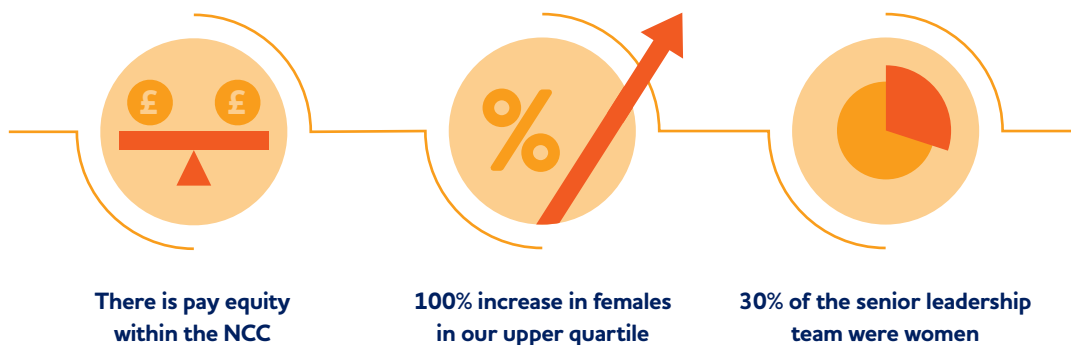
We believe there are numerous contributing factors, including:

- A net growth in the proportion of women at the NCC - from 23% to 25% of the population - with significant growth in our technical grades.
- 33% of our new recruits were female, and we saw a small pay gap for our new recruits in our mid-bands (P3/4, T4/5 2.18%). However, we have not recruited any women into our senior technical roles (T6-T8).
- 28% of our leavers were women, and this clustered around our mid-bands (P3/4, T4/5). When a couple of senior women from both professional and technical grades left, the best replacement candidates were women, which ensured that the gender pay gap did not increase.
- 34% of our internal moves were women (an increase from 16% last year), and these were primarily into our mid pay grades (P4/T4/T5). The pay gaps for these mid-bands are incredibly low (average is -6.49%). However, we did not see any women move into our senior grades (P6/T6 and above).



Other notable findings when analysing the snapshot as at 31st March 2023 include:

- 30% of the senior leadership team were women and in the most senior roles in the professional (P) grade, P6 and P7, women make up 46% of the population.
- We have seen a 100% increase in females in our upper quartile (from 9% to 18%) and 127% increase in upper middle quartile (11% to 25%), which reflects the external recruitment and internal progression work to date, illustrating a shift towards closing the pay gap.
- The gender pay gap in our Engineering and Manufacturing directorate is 0.77% (a decrease from 6.26% in 2022).
- The pay gaps we are seeing within our professional grades (namely at P5 and P7) reflect skills premiums applied to IT and financial roles - industries that women are under-represented in.
- Our annual equal pay audit review continues to demonstrate that there is pay equity within the NCC, with equal pay between men and women in same or similar roles.
- Although we see under-representation of women in senior technical roles, we also see this in our technician community, notably in apprenticeships.
- 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, as well as early careers onboarding payments. Eligibility criteria for these payments was applied fairly and consistently to male and female colleagues.



WHAT ARE WE DOING TO CLOSE THE GAP?

As highlighted, the gender pay gap continues to exist within the NCC. We remain committed to EDI, and 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 progress has been made over recent years, there continues to be under-representation in these roles, and there is also a concern that we are not seeing female representation at early careers levels in technical apprenticeships.

The NCC has made great strides in EDI over the last year and has achieved successes on our EDI roadmap. Activities include launching our affinity groups, including a women's led network, specific training on EDI that is open to all staff, as well as a variety of awareness sessions throughout the year and the development of policies, processes, guidance and toolkits for all employees.



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:

- Offering learning and development opportunities designed to support the continued development of our line managers, including unconscious biases, allyship, inclusive leadership behaviours, and coaching skills.
- Developing coaching programmes for managers to support development conversations with female team members.
- Highlighting and celebrating diverse role profiles within the NCC, to encourage career development throughout the organisation.
- Designing and running career workshops to give confidence to internal applicants going through a recruitment process.
- Running our annual inclusivity survey to understand the thoughts and opinions on our inclusive culture, to help inform EDI led activities.
- Reviewing our recruitment policy and practice, along with the development of an inclusive recruitment toolkit to support hiring managers.
- Working closely with our employee-led Women’s network, to review our policy and practice, and collaborate on initiatives to support women in the NCC.
- Promoting flexible and hybrid working practices, enabling all staff to better balance their work around caring and other responsibilities.
- Delivering our EDI roadmap with aspirations and commitments that have been sponsored by senior leadership.
- Collaborating 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.
- Implementing our STEM strategy and work with local academic institutions to inspire future generations to pursue a career in Technology and Engineering.

