

Gender Pay Gap Report

2020/21

This data has been taken from 5 April 2020



Our Organisation and the Gender Pay Gap

CPI acts as a catalyst bringing together academia, businesses, government and investors to translate bright ideas and research into the marketplace. We do this by connecting our customers with the right experts, equipment, facilities, networks, funding and more; joining the dots for effective innovation.

We are a leading independent technology innovation centre and a founding member of the UK Government's High Value Manufacturing Catapult. Established in 2004, our teams tirelessly apply their many years of experience to ensure that every great invention gets the best opportunity to become a successfully marketed product or process. We work with our partners across diverse markets in the UK and around the world, driving their innovations forward and helping them to reduce the risk and cost associated with product development.

At CPI our people are at the centre of everything we do. They are integral to the success of our business and we value every individual's contribution to the organisation. We recognise that to have outstanding people, we need to have an organisation where our people matter. We are very proud to support all of our people to become the best they can be.

CPI is made up of two companies:

- Centre for Process Innovation Limited (CPI)
- CPI Innovation Services Limited (CPIIS)

Only CPI is required to report its gender pay gap. However, as a group of companies committed to transparency, we have voluntarily chosen to publish the gender pay gap for CPI as a whole, including both CPI and CPIIS.

We published our first gender pay gap report in April 2018. This report sets out the actions we have taken over the past year and what we intend to do in the coming year to continue on our journey to support all of our employees in reaching their full potential.

Our Gender Pay Gap

At CPI we understand the importance of giving our people equal opportunities, it is not only important but crucial to driving CPI's vision of having outstanding people who enable impactful innovation. Our people truly matter, and we continue to create these opportunities to enable progression, and to support learning and development at all levels of our business.

Our pay gap arises due to us having different proportions of men and women at senior levels of the organisation. Year on year we have seen improvement in this and female representation in the upper quartile has continued to increase this year. In addition, we have also seen a significant increase in female representation in early careers positions within scientific and engineering disciplines and we will see them progress up the career ladder as they develop the skills and experiences to enable career growth. We are very proud of this and will continue our efforts into hiring and developing those in early careers in the STEM industry.

As always, CPI continues to take active steps to encourage people to develop their careers within our group.



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Innovation is a creative and collaborative endeavour, requiring diversity of thought, the appreciation of a different point of view and an openness to change. At CPI our outstanding people are motivated by the challenge of the innovative work that we do and a desire to make an impact on the economy and our society, to make a difference. We have adopted values that celebrate vision, inspiration and professionalism and we strive to provide a rewarding and meaningful career.”

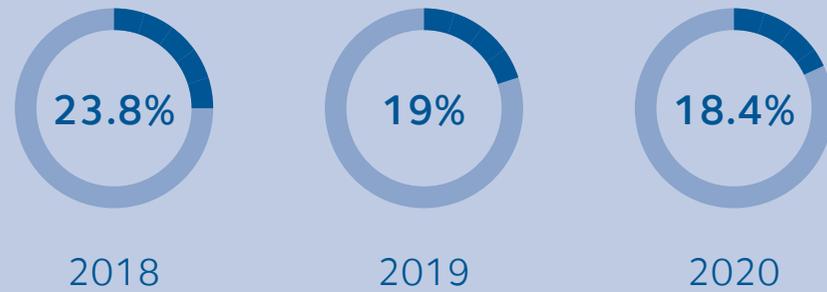


Frank Millar
Chief Executive Officer

CPI Pay Gap

CPI Group Pay Gap

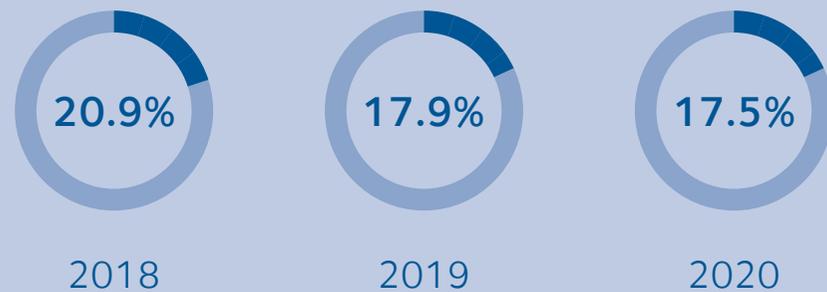
Mean



Mean



Median



Median



The above data shows the Mean and Median in CPI and CPI Groups' gender pay gap.

CASE STUDY

**Nikki Kirtley,
General Counsel and
Company Secretary**



Nikki has been an employee of CPI Innovation Services (CPI IS) for seven years and has gone from strength to strength in her career progression, with her most recent promotion to the position of General Counsel and Company Secretary. Nikki began her career with ICI starting as an Office Junior, however it wasn't long before Nikki transferred into the legal team working as a Procedural Law Administrator which became the start of her journey towards becoming a qualified Solicitor. Nikki continued from there to gain invaluable legal expertise from a variety of law firms, before joining CPI IS in 2014.

Nikki joined CPI IS as a Solicitor working on general legal matters such as terms and conditions, non-disclosure agreements and collaboration agreements. Nikki's potential shone through immediately and within less than 12 months she was promoted to the position of Senior Solicitor and Trade Mark Attorney and very quickly became a valued legal expert within our organisation. Progression did not stop there for Nikki, whose ambitions took her to being promoted to Principal Solicitor only six months later as she took on greater responsibility and people management. Nikki continued to build her legal expertise during this time and continued with her extensive CPD, making her an invaluable member of the Legal team and a trusted advisor to the organisation.

In 2016 Nikki was appointed to a pivotal leadership role as Head of Legal and became responsible for the oversight of all CPI's legal matters and managing the Legal team. Nikki spent the next few years growing and developing the team of legal experts who support our organisation with general contracting, intellectual property, regulatory, property and construction, procurement, state aid and employment matters. In 2019 Nikki was given an opportunity to take on the role

of General Counsel and Company Secretary which involves closely working with CPI's board and Senior Leadership as well as retaining oversight of CPI's legal matters. After a successful six months, Nikki also became a much welcomed addition to CPI's Senior Leadership Team.

When asked if she would recommend CPI as an employer, Nikki said:

"I would not hesitate to recommend CPI as an employer. CPI is a fantastic organisation to work for – it has a great culture and people, facilities, and many exciting projects that I am proud to be involved with. CPI has a particular strong focus on its people, from their wellbeing to their career and is very supportive of anyone who wishes to progress their career through the organisation as is evidenced by my career journey here at CPI."

CASE STUDY

**Ben Gay,
Lab Technician**



Ben joined CPI in 2016 as an apprentice Laboratory Technician, studying towards a BSc in Biological Science. Prior to joining CPI, Ben had completed two years at university and had a part time customer service role alongside. Ben preferred the idea of learning whilst earning and being able to put his learning from academia into practice in the workplace, rather than solely being in a university environment full time. After contemplating his career choices, Ben took the leap and applied for one of CPI's Degree Level Apprenticeship opportunities. Five years later, Ben is now in his final year of university and is expecting to graduate in summer 2021, his hard work and dedication is reflected in his university results and he is currently on target for being awarded a First Class honours degree.

During Ben's time at CPI, he has predominantly worked within the Downstream team, planning, running and reporting experiments to develop processes for the purification of biopharmaceutical products, from traditional monoclonal antibodies and recombinant proteins to viral vectors and protein-conjugated gold nanoparticles, whilst still maintaining responsibilities for operational aspects. This includes responsibility for calibration and servicing for all pipettes on site, being involved in the tender process for acquiring a contractor and acting as on-site coordinator for the servicing clinics. Ben has been working solidly on technical delivery for the last year and has worked on a variety of interesting and challenging projects, including CPI's response to the global pandemic. Alongside his day job, Ben has taken part in a number of development opportunities, including completion of CPI's Professional Skills Development Programme, which he has found invaluable for developing his core behavioural skills and how they can be translated into the workplace and his apprenticeship standard. In addition, Ben has been a key part of Biologic's Energy Saving committee and the LIMS working group.

Ben's line manager describes him as 'a high performing and talented scientist and although not yet qualified, Ben shows the presence and confidence of someone with more time spent in the laboratory'. Not only is Ben recognised internally within CPI, he was also awarded the NEPIC Apprentice of the Year – Service and Supply Chain in January 2020.

At the end of the apprenticeship, Ben's aspirations are to gain permanent employment and continue to develop himself in his area of expertise and beyond!

When asked if he would recommend CPI as an employer, Ben said:

"The wide variety of opportunities that CPI makes available to apprentices. Both structured training, such as the Professional Skills Development Programme, and on-the-job learning from working on such a range of challenging projects have allowed me to gain experience, skills, and a network that would never have been available on a full time course. Being able to develop so many aspects that will stand me in good stead for my future career, while being able to make valuable contributions to projects alongside incredibly supportive colleagues is why an apprenticeship has been such a fulfilling route into the industry for me."

CASE STUDY

**Nicola Broughton,
Senior Scientist**



Nicola has been a CPI employee for five and a half years and works as a Senior Scientist within the Device Technology team. Nicola's CPI journey started within the Integrated Smart Systems team as a Laboratory Scientist following time working in academia and industry, her latter role working in the technical department of an aerosol manufacturer and responsible for quality control and new product development. At CPI, Nicola initially worked to formulate functional inks and coatings on grant-funded collaborative research programmes and support other teams with metrology services. As CPI's activities diversified, she moved into print and coating process development, taking on commissioning, and setting up processes on new equipment.

During her time at CPI Nicola has been promoted three times and given additional responsibilities. These include acting as technical lead of projects of increasing size and day to day oversight of laboratory safety. She has worked on commercial projects, cultivating relationships with local and international businesses. Her collaborative research continued on a number of UKRI, Horizon 2020 and ERDF projects in the area of additive manufacturing, helping business on the route to commercialisation of innovative, new products and processes. Nicola has worked to develop biosensors, medical devices, wearables and smart packaging. Supported by internal training and guidance, she has also acted as project manager of medium sized projects, successfully ensuring that projects are delivered in full and on budget.

CPI has supported Nicola in her role as a STEM ambassador and encouraged her to mentor other members of staff. Nicola is known for her 'can-do' attitude, attention to detail, and the high priority she places on maintaining a safe working environment. Nicola is a true asset to CPI and we are confident she will go far in her career and hope to support her ambitions along the way!

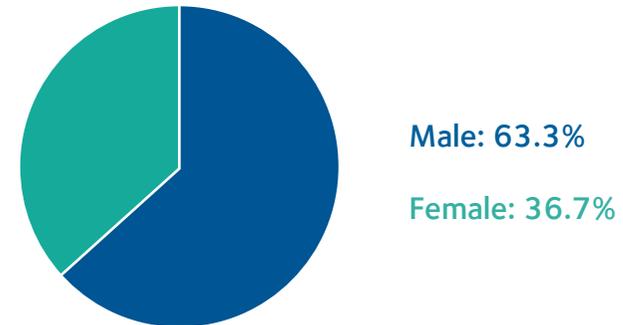
When asked if she would recommend CPI as an employer, Nicola said:

"CPI has been excellent at supporting my progression through the organisation. I have had opportunities to develop my skills through CPI's Management Development Programme and targeted training courses to support me as my responsibilities have evolved. My line manager has been really supportive in allowing me to try out new roles such as project management and bid writing, and gain experience in line management through some wonderful placement students. It has enabled me to diversify my skill set and help me be better at the main part of my role, the technical delivery of innovation projects."

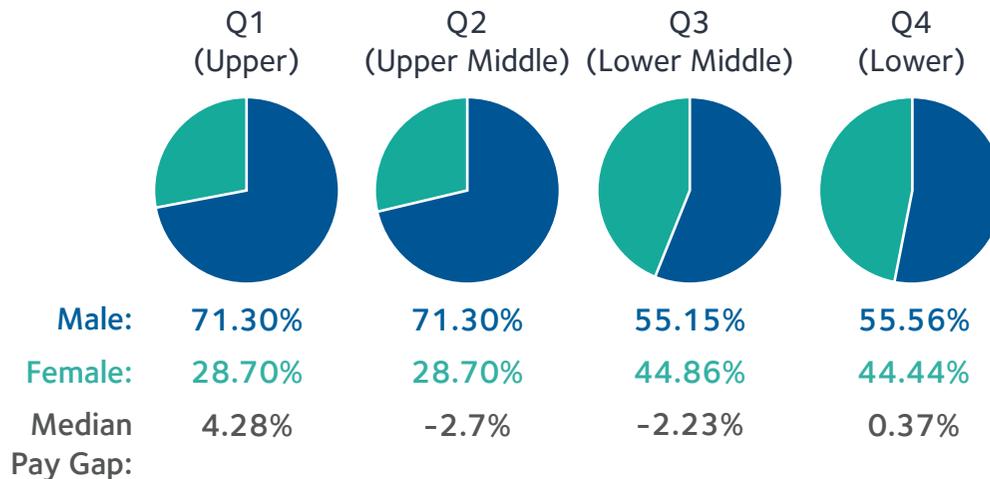
Summary of CPI & CPIIS

Mean gender pay gap	17.76%
Median gender pay gap	19.16%
Mean bonus gender pay gap	52.34%
Median bonus gender pay gap	33.33%
Proportion of males receiving a bonus payment	39.43%
Proportion of females receiving a bonus payment	49.11%

Gender makeup of the Company



Proportion of males and females in each quartile pay band



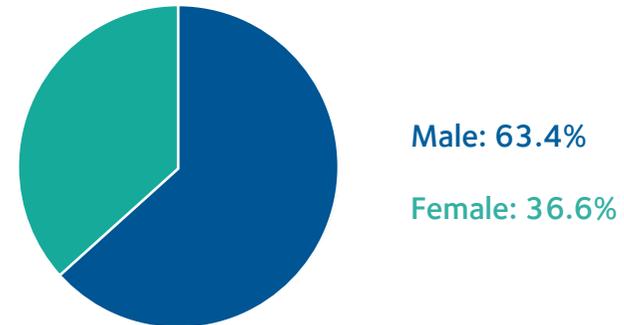
Definitions

- Gender pay gap** – The difference between the average earnings of our female employees compared with our male employees. Measured using a 'mean' and 'median' basis.
- Mean** – The mean is the sum of the hourly rates of pay for all employees divided by the total number of employees.
- Median** – The median is the middle point of the hourly rates of pay for all employees in order from highest to lowest.

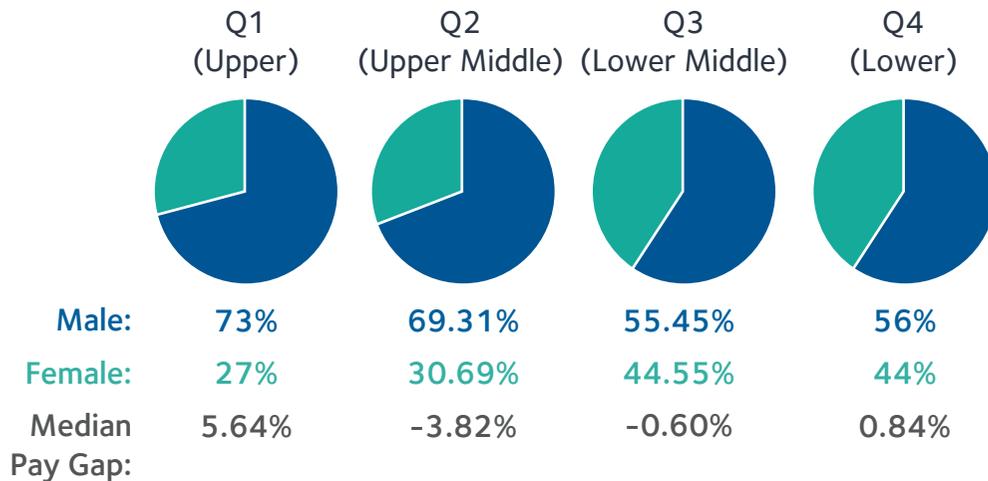
Summary of CPI

Mean gender pay gap	18.44%
Median gender pay gap	17.53%
Mean bonus gender pay gap	53.74%
Median bonus gender pay gap	33.33%
Proportion of males receiving a bonus payment	39.08%
Proportion of females receiving a bonus payment	50.64%

Gender makeup of the Company



Proportion of males and females in each quartile pay band



Statistics explained

- Median Gender Pay Gap** - The median gender pay gap has increased between men and women in comparison to the previous year's data. This is due to a larger increase of women joining the company in early career positions, which brings the median hourly rate for women to a lower figure, creating a bigger gap for the median rate between men and women's pay. This however is a positive result for increasing female representation in STEM careers, as we have doubled the intake of female STEM apprentices and tripled the intake of female industrial placement students from 2018 to 2019.

Summary of 2019/20

Teacher Externship

STEM outreach at CPI is about encouraging people into our industry. The Teacher Externship Programme involved helping both students and teachers understand the connection between academic learning and the professional skills necessary for success in STEM based industry. This allowed CPI to impact a larger amount of young adults by giving teachers real industry experience and making direct links between curriculum and market.



Professional Skills Development Programme

Due to the success of our annual Management Development Programme, we chose to implement our Professional Skills Development Programme (PSDP), which looks to support our emerging talent within the business.

In 2019/20, 24 of our people joined the programme. The programme looked at several areas to support individual development. Workshops included:

- Mentoring and Emotional Intelligence
- Personal Development, including Personal Development Planning, 360 Feedback and MBTI.
- Effective Teamwork
- Communication Skills
- Project Management and Managing Stakeholders
- Change Management
- Decision Making Techniques

Alongside the workshops we included a social action project, whereby the delegates were placed into project teams and needed to achieve a fundraising target through planning, managing and executing events. This provided an opportunity to put into practice many of the skills learnt throughout the programme.

This was a collaborative project delivered in partnership with the MFC Foundation. The funds raised through this programme funded the Chris Dowe Meaningful Encounters Programme where 15 school pupils from Thornaby Academy were given the opportunity to work towards an ASDAN qualification delivered by the MCF Foundation. It also included the opportunity for them to visit 2 of CPI's sites and hear first-hand from our apprentices, graduates, and leadership team on the vast array of careers available at CPI. Inspiring the next generation of scientists and engineers.

Innovation Development Programme

Innovation makes impact when it is implemented as a complete solution. To enable a complete solution requires the collaboration of many people, processes, and systems. As an innovation company it is vital we also identify the skills, competencies and capabilities needed of the future workforce in order to embed innovative solutions.

The Innovation Development Programme is open to all our people and is part of our inclusive 'Learn and Lead' offering. The aim of the programme is to develop 'systems leadership' capability to give our people the tools and skills required to bring different product, process and technology experts together to create new and 'added value' solutions to the innovation challenges.



Health and Wellbeing

Our people matter at CPI and we have openly committed to increasing wellbeing at work. As a Real Living Wage employer we continue each year to identify and launch a range of new health and wellbeing initiatives. Within the last 12 months this has included expanding our offering to include resilience training and introduced over 30 “just in time” video interventions covering topics such as wellbeing, managing stress and resilience. Throughout the year we have continued to promote access to our MHFAs and our Employee Assistance Programme. Our annual health and wellbeing calendar campaigns cover a wide range of topics over the year aimed at supporting the health and wellbeing of all staff.



Family Friendly

CPI recognises the value of a gender diverse workforce and strive to become an employer of choice that best meets the needs of their employees. As an employer who cares about their people, CPI recognised the challenges that working parents can face when balancing work and life following parenthood. Therefore, we rolled out a maternity buddy's scheme to support parents transitioning back into the workplace following maternity and shared parental leave, embedding a caring culture that supports parents who are coming work with caring responsibilities.

In addition, CPI enhanced pay is available to male parents opting to take Shared Parental Leave, by offering men the same enhanced pay as our policies for maternity/adoption leave. We hope that this encourages more men within our organisation to take time away from the workplace when becoming a parent and to encourage childcare and working responsibilities to be shared equally amongst both parents.



Career Progression

CPI strongly believes that well thought out and future focused people strategies are vital to developing and enhancing the supportive infrastructure needed to create an inclusive environment to attract, retain and develop talented and diverse people into our exciting and cutting-edge industry.

Supporting the development and progression of our people is a strategic priority. As part of enhancing this infrastructure we have mapped and developed career pathways for each job family to support our employees career progression. CPI have invested time and resource in ensuring we have the clear pathways needed to maximise the potential of each and every employee. Employees can clearly see the progression routes from their role and support pathways for both technical and management progression.

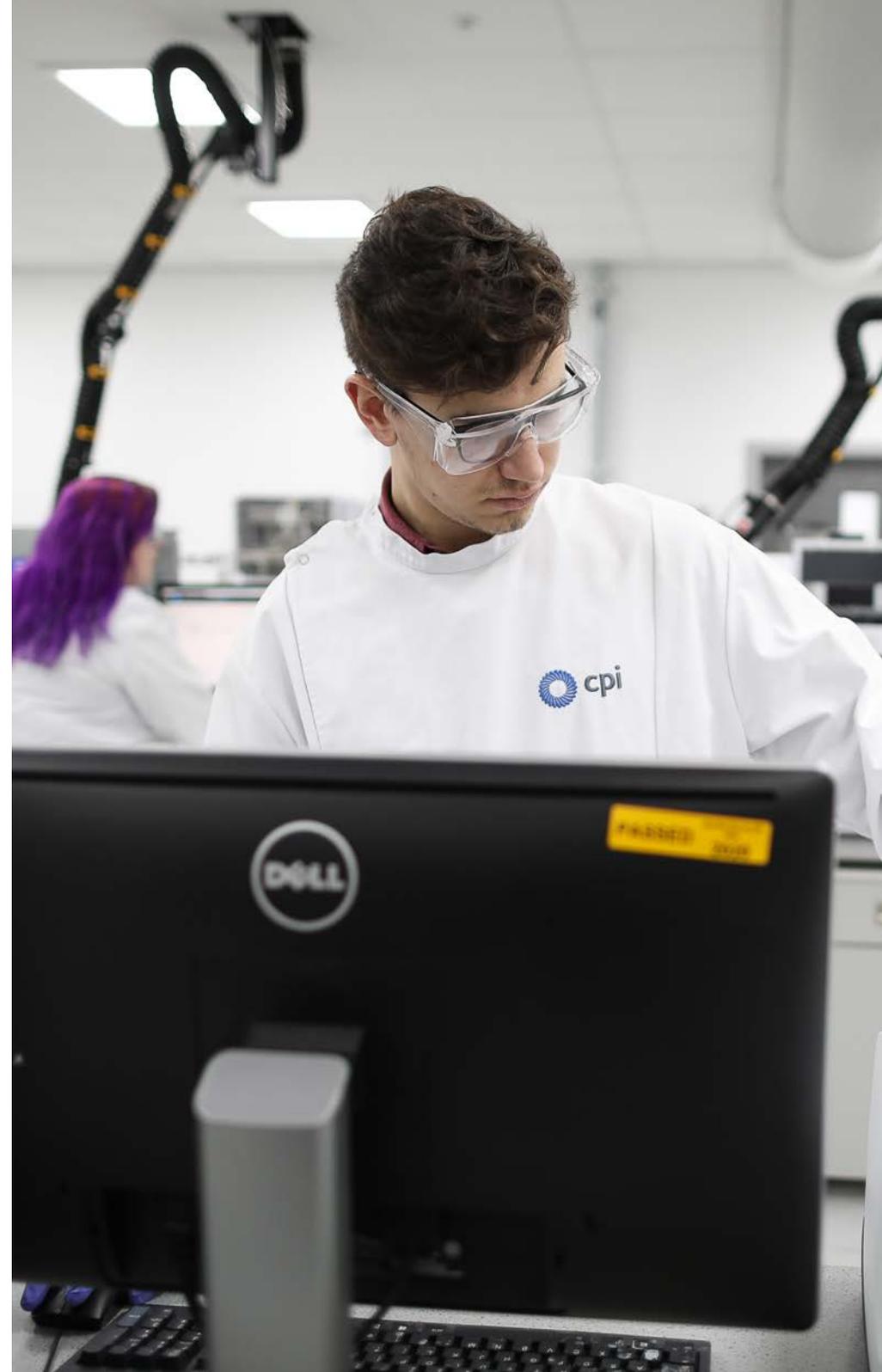


Apprenticeships

During this year we saw CPI's apprenticeship programme not only grow in numbers but also start to gain recognition on the quality of the programme and the success of the apprentices themselves. We employed five new apprentices during this period, one at Level 3, and four Degree apprentices, this took our total number of apprentices joining CPI to 16.

In addition to the newly employed apprentices, we had nine members of staff start their apprenticeships to support professional development, taking our total to 15. Six of these individuals had joined the company originally on apprenticeships and are now in permanent posts and have progressed onto their second or third apprenticeships with CPI.

In January 2020 we were named NEPIC Apprenticeship Employer of the year at their annual awards ceremony and the same evening saw Ben Gay win Apprentice of the Year. We also went on to local success being named NSG Overall Apprenticeship Employer of the Year at their awards night in February 2020.



Plans for the next 12 months

As an organisation that values its people, we continually find ways to improve and develop so that we can support our people to achieve their potential. Over the coming year we intend to implement a number of key actions that will retain our outstanding people and support all of our employees to learn and grow.

Reward

To further strengthen our approach to employee reward we will embark on a full review of our reward and recognition policy that aligns to our culture of openness and fairness and will include full internal job evaluation alongside external market analysis via salary benchmarking of every role. This will ensure we have robust processes and policies in place to continue to pay equitably for the work we do.

Recognition

Creating a culture where people feel valued, and encouraging small 'thank you's' which can go a long way in bringing CPI's Values and Principles to life. Collaboration is key to our work at CPI, therefore we plan to expand our approach to look at team contribution and celebrating the success of the collective as well as the individual.



Health and Wellbeing

Our people really matter at CPI and we have openly committed to increasing wellbeing at work. Through enhancing our Culture with the “People Matter” strategy ensuring we have a robust health programme in place is vital to serving our employees needs. By embedding the right tools, guidance and support in line with our people matter model to enable individuals to take ownership over their wellbeing. We plan to review our current approach to performance reviews and introduce health as a key part of performance management. To further strengthen our health and wellbeing infrastructure, we plan to Review and refresh our occupational health support system to ensure we ensure we offer the right benefits and occupational health provider to support our employees wellbeing.



Statement of Accuracy

I confirm that the information included in this report is accurate to the best of my knowledge and belief.

Signed

A handwritten signature in black ink, appearing to read "F. Millar". The signature is written in a cursive, flowing style.

Frank Millar
Chief Executive Officer

CPI Group of Companies
March 2021

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2020/21

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