

Gender Pay Gap Report

2022/23

This data has been taken from 5 April 2022



Our organisation and the gender pay gap

CPI connects the dots within the innovation ecosystem to make great ideas and inventions a reality. We're a pioneering social enterprise that accelerates the development, scale-up and commercialisation of deep tech and sustainable manufacturing solutions. As a trusted partner of industry, academia, government, and the investment community, we're the catalyst that delivers incredible health and sustainability innovations to benefit people, places and our planet.

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 expertise 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 incredible

people, we must have an organisation where our people matter. We purposefully empower and support all of our diverse people to become the best they can be.

The CPI Group of Companies is made up of:

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

We report our gender pay gap for both CPI and the CPI Group of companies to ensure that there is complete transparency and that every employee is included in the report.

Our gender pay gap

At CPI, we understand the importance of giving our people equal opportunities; it's crucial to driving our vision of having outstanding people who enable impactful innovation. We continue to acquire talent from a broad range of talent pools, create opportunities to enable progression, and support learning and development at all levels of our business.

We are confident that our gender pay gap is not caused by men and women being paid differently to do the same job, but is driven instead by the representation of men and women at senior levels in the organisation. We're pleased to report that the mean pay gap within the CPI Group has decreased from 16.3% in 2021 to 12.4% in 2022, and within the upper quartile, the mean pay gap has decreased from 7.7% in 2021 to 5.5% in 2022.

Through a flexible and inclusive culture, we continue to take active steps to encourage people to develop their careers at CPI.



“

Emerging from the pandemic and recognising the need to reimagine the way in which we work has been a huge challenge for many companies and I would like to recognise the efforts of all my colleagues at CPI as we continue to evolve as an employer. Formalising our approach to equality, diversity and inclusion has been enlightening and a cause for reflection for an organisation that aspires to enable innovation by valuing difference. Providing transparency in our pay policy, hosting webinars to explain this to colleagues and extending our external benchmarking have all enabled continued rigour in ensuring fairness in our pay and rewards. I am pleased that our gender pay gap is reducing, and encouraged by the opportunities for career progression that we continue to provide.”



Frank Millar
Chief Executive Officer

CPI pay gap

CPI Group pay gap

Mean

The average is found by adding the data set together and dividing by the number of values



2020



2021



2022

Median

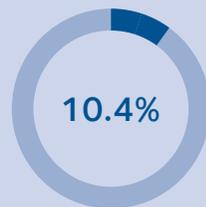
The middle value when a data set is ordered from least to greatest



2020



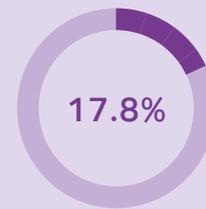
2021



2022

Mean

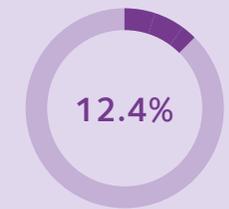
The average is found by adding the data set together and dividing by the number of values



2020



2021



2022

Median

The middle value when a data set is ordered from least to greatest



2020



2021



2022

The above data shows the mean and median in CPI and CPI Group's gender pay gap.

OUR PEOPLE

**Hannah Wade,
COO, CPI Enterprises**



Hannah knew from the age of 15 that she wanted to pursue a career in Law and initiated this by finding work experience in a legal firm. After completing her A Levels, she progressed to the University of Leeds to study Law, continuing to gain work experience during her studies. Upon graduation, Hannah went on to work in a Legal firm for 6 years and after having her daughter at 30, Hannah joined CPI in 2015 as a Senior Solicitor. Having always enjoyed spending time by the North-East coast, Hannah relocated from Leeds to work at CPI's Wilton Office.

Hannah's role at CPI was completely different to anything she had previously undertaken; however, she quickly transferred her private practice skills to those required by CPI through asking questions and gaining an understanding of the roles undertaken across the business. Hannah was then appointed to a project team within which she gained invaluable legal knowledge and expertise within the Legal team and was promoted to Principal Solicitor in 2016.

Following her maternity leave in 2018, Hannah was given the opportunity to look at the business plan for a new concept, CPI Enterprises (CPI's investor engagement and ventures arm). Using skills accumulated over the years, Hannah began paving the way for CPI Enterprises, understanding the landscape and applying this knowledge effectively. She then transferred to Enterprises as Chief Operating Officer of CPI Enterprises/Head of Investor Partnerships in 2019 and joined the Senior Leadership Team at CPI on 1 April 2022. Reflecting on CPI as an inclusive employer within this role, Hannah stated "it's great to see in our Senior Leadership Team that there is a greater balance between men and women".

When asked what she enjoys the most about working with CPI Enterprises, Hannah said: "Every day is different. I like the variety. My favourite part is when I get to see a company pitch. One of the drivers for me is seeing somebody working on a technology that's improving the environment or it's helping somebody's health. A lot of the companies that we see are working on social development goals, so you really feel like you're doing something that is making a difference."

"I also enjoy the team aspect of it, we've got a really great high performing team and they've all got different skills. It's about collaborating – talking about different solutions and appreciating the different opinions and skills around the table."

When asked about what Hannah enjoys the most about working at CPI she said: "It's the people at CPI and the companies that we come into contact with – what gives me energy is when you've got a project team and they're really excited and passionate about what they're doing, or you speak to a company, and they say what an amazing help we've been at CPI. I think we are a diverse workforce who are open and flexible. Some of the initiatives CPI has been driving for the past few years and policies we have such as the enhanced Shared Parental Leave, which I considered taking up when having my second child, are really positive."

Hannah expressed her appreciation to the support she received from the Senior Leadership Team during her transition to her leadership role in Enterprises. She also highlighted the development support she received, which included CPI's internal Management Development Programme, as well as external training and coaching, both of which she described as "fundamental to moving forwards in Enterprises."

OUR PEOPLE

**Jonathan Kearney,
Head of Portfolio
Management**



Jonathan joined CPI in 2009 as a Laboratory Technician, upon completion of his PhD, which focused on fuel cells. This was a perfect match for Jonathan, as the research he conducted contributed to the work already in progress in the fuel cell arena.

In addition to his PhD, Jonathan's qualifications included a degree, in both Accountancy and Chemistry, and experience working within a financial role. After 2 years, an opportunity arose for Jonathan to change roles to a Junior Project Manager. His background in accountancy and science meant he was able to seamlessly collaborate with the financial and technical teams, and he adapted to the project management role with ease. Jonathan continued to grow within the project management function, steadily climbing up the ranks to Business Unit Programme Manager. In 2021, he was offered an opportunity to be seconded to the role of Head of Portfolio Management. During this 12-month secondment he excelled in the role, and it was made permanent in 2022.

When asked what he enjoys the most about project

management, Jonathan said: "I enjoy overcoming problems and delivering what I said I was going to do. It naturally fell into my skill set. It's also fun to see the companies we work with develop and seeing something you have worked on change the footprint of the industry and create job opportunities. That is the satisfying, visible impact of what we do at CPI."

When asked about what Jonathan enjoys the most about

working at CPI, he said: "When we all work together, we can deliver incredible things. The range and complexity of the things we deal with is incredible, but we consistently deliver and gain credibility with the companies we work with. No two days are the same, and the stuff we get involved in you wouldn't believe it's the same company - it keeps it fun."

OUR PEOPLE

**Anne Spetch,
Head of Legal**



Anne began her legal career at Eversheds where she qualified within the corporate team. During her time there, she had the opportunity for various secondments including Asda's in-house legal team, where she discovered her passion for a varied and dynamic workload. Her first permanent in-house role was at Parkdean Resorts. Anne then came to CPI on a temporary contract to cover a maternity leave in February 2020 as Senior Legal Counsel, where her potential quickly shone through.

Within 1 year, Anne was promoted to Principal Legal Counsel, primarily working with the CPI-led Medicines Manufacturing Innovation Centre, which she enjoyed thoroughly and still continues. Following the maternity leave of the current Head of Legal at CPI, Anne most recently took up an opportunity as Head of Legal, acting in a job share capacity alongside her colleague Natasha Robson. In this role, Anne engages in legal matters at a strategic level as well as continuing to support the business legally and is co-responsible for developing the wider legal team who support our organisation across a wide range of legal areas.

Anne commented on CPI's creative and flexible approach to her job share, which allowed her the opportunity to develop her skillset in this leadership role alongside her colleague. From 1 August 2022, she will continue that role entirely.

When asked what she liked most about working for CPI, Anne

said: "The culture at CPI is second to none – I've never worked in a company that is so diverse both in terms of the variety of what we do and the impact we can deliver, also the people that work here. The opportunities CPI provide internally through promotions, secondments and moves into teams across the business enables an incredible amount of diversity of thought – it is great to see."

She also noted: "One of the most valuable things I see at CPI is the flexibility that is offered to its employees – it enables me to run my life in a much easier way whilst gaining progression within my career. It's clear that CPI's culture is one that is driven by an organisation with an open mind who seeks to do the right thing."

OUR PEOPLE

**Natasha Robson,
Head of People**



Natasha Robson started her legal career in 2008 at Northern Rock, where she completed her legal training in-house. Here she discovered her passion for employment law, and it wasn't long before she took up a role as a specialist employment solicitor at what was then Dickinson Dees. There she gained 8 years of experience in a wide range of employment law matters.

Looking for a new challenge, Natasha joined CPI in January 2018 after hearing about an exciting opportunity which would enable her to work on a variety of interesting projects where she felt she would be able to make a positive contribution to society. Natasha's wealth of knowledge and experience quickly shone through, and she quickly progressed to Senior Legal Counsel and then Deputy General Counsel in 2020. During her career at CPI, Natasha has also taken up two opportunities to act up as the Head of Legal, which have given her invaluable experience running a successful legal team.

As Head of Legal, Natasha worked alongside her colleague, Anne Spetch, in a job share capacity. This job share enabled Natasha to return to work following maternity leave on a part-time basis. For Natasha, this was the perfect solution – she was able to return to work part-time as Head of Legal whilst ensuring the team was fully supported in that the role was covered full-time – her career was not put on hold. Natasha continues to go from strength-to-strength in

her career, recently moving into the role of Head of People where she leads the HR team and plays a key role in driving CPI's people strategy.

When asked if she would recommend CPI as an employer,

Natasha said: "I would absolutely recommend CPI as an employer – I've been given such fantastic opportunities to develop my skills, to grow as an individual and to progress within the organisation. I've been supported every step of the way by the organisation and my line manager – my career progression has been celebrated and I've been given the tools and support needed to achieve. Having a baby and returning to work part time hasn't held me back at all and I can only say that I am so happy to work for an employer where we support our staff to grow and develop, while also recognising the importance of family life. I have found CPI to be a fantastic employer and a great place to work."

When asked what she enjoyed about working for CPI, Natasha

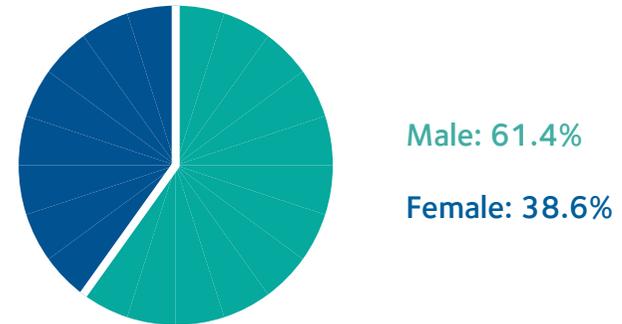
said: "There are so many reasons that I love working at CPI. Firstly, no two days in my role are the same, which hugely appeals to my need for variety! We also have a great culture here and a wonderfully diverse workforce. Our people are incredible and I feel CPI really values us as individuals, acknowledging that we are not all the same and making sure that we all have the opportunity to succeed."

Summary of CPI Group (CPI & CPI IS)

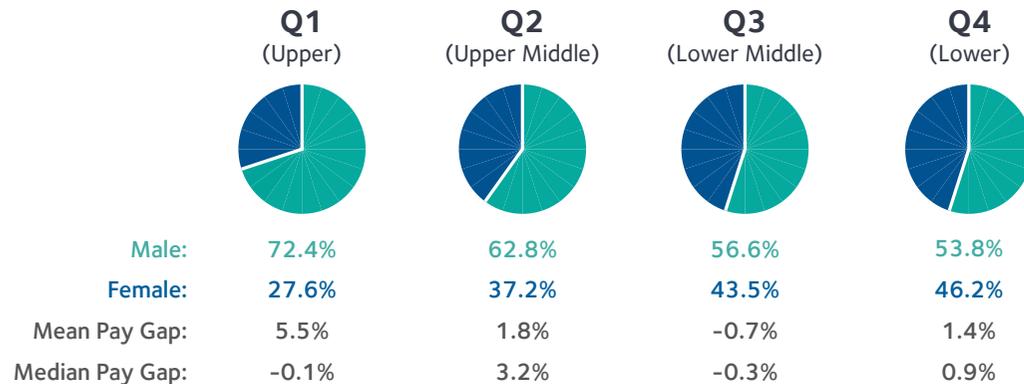
Mean gender pay gap	12.4%
Median gender pay gap	11.0%
Mean bonus gender pay gap	15.0%
Median bonus gender pay gap	0.0%
Proportion of males receiving a bonus payment	40.8%
Proportion of females receiving a bonus payment	47.2%

The gender pay gap is defined as the differences in the average earnings of men and women over a standard period of time, regardless of their role seniority. A positive pay gap indicates that men are paid more and a negative pay gap indicates that women are paid more.

Gender makeup of the company



Proportion of males and females in each quartile pay band



Definitions

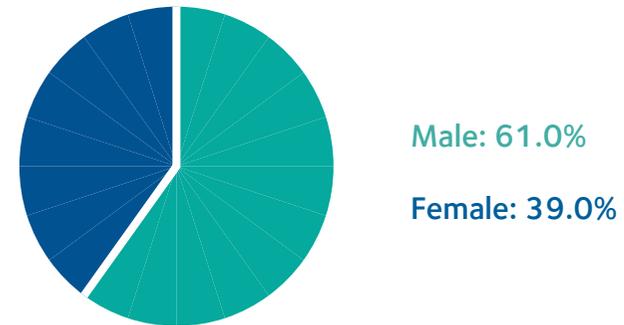
- Gender pay gap** – The difference between the average earnings of our female employees compared with our male employees. Measured using a 'mean' and 'median' basis.
- Mean** – The mean is the sum of the hourly rates of pay for all employees divided by the total number of employees.
- Median** – The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

Summary of CPI

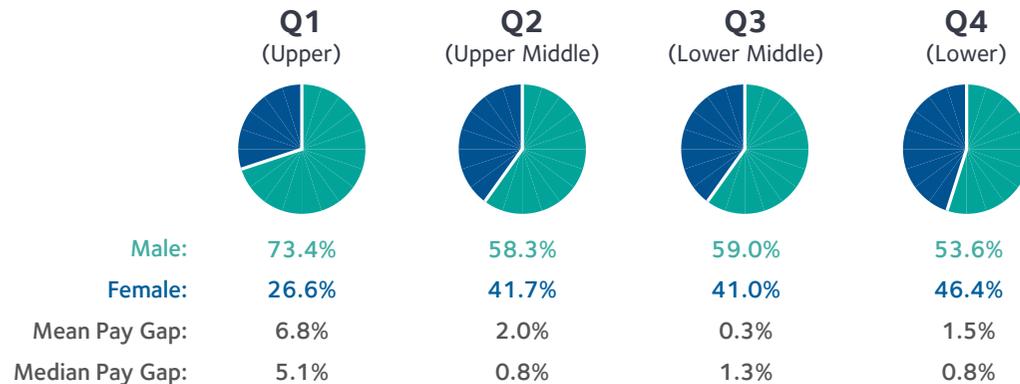
Mean gender pay gap	12.8%
Median gender pay gap	10.4%
Mean bonus gender pay gap	17.0%
Median bonus gender pay gap	0.0%
Proportion of males receiving a bonus payment	40.7%
Proportion of females receiving a bonus payment	48.0%

The gender pay gap is defined as the differences in the average earnings of men and women over a standard period of time, regardless of their role seniority. A positive pay gap indicates that men are paid more and a negative pay gap indicates that women are paid more.

Gender makeup of the company



Proportion of males and females in each quartile pay band



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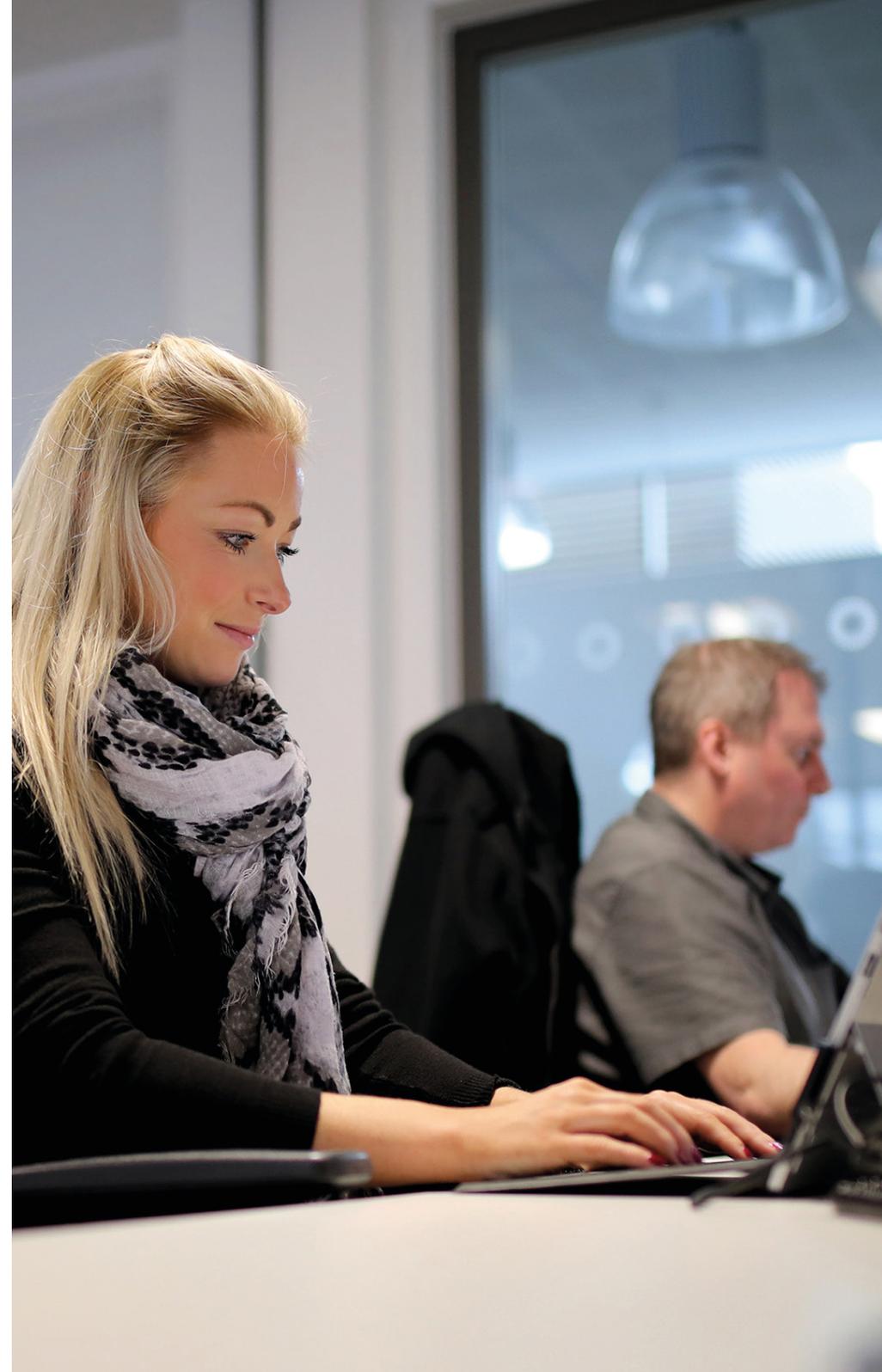
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Summary of 2021/22

Employee voice

One of our highest strategic priorities is our focus on people; they are our key asset to making CPI a great place to work. We have a culture of honest conversations and two-way feedback, which enables us to make improvements and understand what is most important to our people. To do this, we offer a monthly check-in Pulse Survey to get a feel from our employees and an annual staff survey to get a deeper understanding for what is working, what we need to continue and where we need to improve, to ensure we are continuously adapting to our employees' needs.

We follow these results up with focus groups across the business to get the best understanding of improvement actions to be worked upon across the year. The key themes that emerged from our 2022 annual staff survey were pay and progression transparency, systems and ways of working, and collaboration as One CPI, which will drive our focus over the next 12 months.



Equality, diversity and inclusion

In 2021/22, we continued our commitment to enhancing Equality, Diversity and Inclusion (ED&I) at CPI with our CEO, Frank Millar, signing the Inclusivity in Innovation Charter on 24 February 2022.

This charter commits all nine members of the Catapult Network to a specific statement and actions alongside CPI's own ED&I 5-year road map objectives and goals.

Frank shared that he “will be working closely with leaders across CPI to develop a welcoming, equitable empathetic environment – where different perspectives, thoughts, cultures, and backgrounds are valued. And where individual needs are heard and supported so that we can all be our best.”

Following this signing of the charter, we set up an employee-led ED&I affinity group. The group is currently in its infancy but has an incredible ambition for how we can better encourage, support, and celebrate our people. We have also submitted an Inclusive Employers Assessment; the results show us what we do well and areas where we can continue to improve. This feedback will then be built into our ED&I objectives.

“By signing the charter, I have pledged to develop and support everyone at CPI by fostering an inclusive workplace – because it is the right thing to do, and because it leads to better decisions, better innovation and makes our working life more rewarding and productive.”

Frank Millar

Chief Executive Officer, CPI

WE PLEDGE TO DEVELOP A DIVERSE AND INCLUSIVE WORKPLACE IN INNOVATION

OUR COMMITMENT

We will hold Equality, Diversity and Inclusion (ED&I) to include the characteristics outlined in the Equality Act 2010 (Age, Sex (and Gender), Race (and Ethnicity), Disability, Religion or belief, Sexual orientation, Gender reassignment, Marriage or civil partnerships, Pregnancy and maternity), but also other historic barriers to opportunity, such as "class", nationality, dialect, education and other forms of socio-economic exclusion.

- We will ensure that ED&I is embedded in our culture and throughout our policies and procedures.
- We aim to recruit the most talented individuals to our workplace and empower them to realise their goals.
- We will celebrate the individual as part of a strong and diverse team.
- We will promote an expectation for our collaborators to uphold ED&I practices.
- We will share best practices within the network and continually strive to improve.

OUR ACTIONS

Each Catapult will:

- Ensure they have ED&I Strategy, Policy and Roadmap documents, which align with this charter, in place and operating. These will be reviewed on an annual basis.
- Collect and report baseline data on Diversity and Inclusion for their organisation, and set up the systems to regularly monitor improvement.
- Set targets for improving ED&I.
- Identify a member of the senior executive team who is responsible and accountable for reporting on ED&I.
- Monitor at Board level and publish data against ED&I targets publicly.
- Create local ED&I champions in each Catapult (e.g. departmental or through groups like Employee Voice Networks) to report progress and share issues with senior management.
- Enable and encourage access for all employees to learning, development and awareness initiatives to increase understanding of the importance of ED&I across the organisation.
- Commit to ensure there are procedures in place to encourage diversity at all levels of the organisation and on the board.
- Encourage and support employees at all levels to progress through and participate in the organisation, and where applicable, provide appropriate training and other on-going support.
- Commit to share ED&I learnings and best practice amongst Catapult Network members in the HR working group (in areas such as employee policies, apprenticeships, skills development).

CATAPULT
Cell and Gene Therapy

CATAPULT
Compound Semiconductor Applications

CATAPULT
Connected Places

CATAPULT
Digital

CATAPULT
Energy Systems

CATAPULT
Medicines Discovery

CATAPULT
Offshore Renewable Energy

CATAPULT
Satellite Applications

CATAPULT
High Value Manufacturing

AMRC / The University of Sheffield
Advanced Manufacturing Research Centre

cpi

mitc
Manufacturing Technology Centre

NATIONAL COMPOSITES CENTRE

NMIS
National Manufacturing Institute Scotland

NUCLEAR AMRC

WMG
THE UNIVERSITY OF WARWICK



Innovate UK



EVP and values

In 2021, we set out on a journey to invigorate our Employee Value Proposition (EVP) and company values in line with our refreshed ambition and extensive organisational growth. After reviewing our values and looking at a wide variety of data around CPI's culture across CPI, we identified key strands that were important to our people when considering EVP. These included: purpose, work environment, culture, career, benefits, and pay and reward.

To build an inclusive culture based on CPI's values and celebrate our incredible people, we launched our PRIDE values in a company-wide webinar in April 2022. During 2022, we will upskill all of our line managers on bringing the values to life through coaching sessions to fully embed them into our daily activity.

Delivering the incredible.
Our CPI. With PRIDE.



Purposeful empowerment

Radical thinking

Impactful innovation

Diverse people

Entrepreneurial mindset

Talent and aquisition

In 2021, we recruited a Talent Acquisition Business Partner, to find and attract hires and work with the wider HR function to grow and retain top talent. With a commitment to diversity and inclusion in all recruitment processes, our aim is that all vacancies are promoted to the widest audiences by multi-channel sourcing, where we can connect with talent from a diverse range of backgrounds and ensure there are no barriers to application.

In 2022, we will deliver a return-to-work programme for underrepresented groups in STEM and ensure that those who have left STEM can return to a flexible, supportive and inclusive environment. The aim is to recruit, develop and retain the best available talent, which will enable highly qualified and experienced candidates to restart their careers after a career break.



Early careers

We recognise the significant role we have to play in supporting and developing future capabilities. We aim to inspire and connect with the next generation to ensure that the skills for visionary thinking and innovation are provoked from an early age. In July 2021, we employed 13 year-long placement students in a variety of different roles, equipping the next generation of innovators with both experience and exposure to kickstart their future careers.

With our aim to increase this impact, our recruitment intake in Autumn 2021 saw us recruit 26 placement students (42% male and 58% female) who will join us in Summer 2022. Over the next 12 months, this will increase further, with 40 placement student roles approved in our budget for 2023/24.



Plans for the next 12 months

Equality, diversity and inclusion

Throughout 2022/23, we will continue to implement our ED&I strategy. As a growing organisation, we want to ensure our culture remains inclusive as well as continuously improving with fresh ideas on how we can better encourage and support our colleagues.

We're increasingly seeing a cultural change for the better, with employees at all levels - from apprentices, to members of our Senior Leadership Team - actively engaging in initiatives such as the 'My Whole Self' campaign. This enabled the sharing of our authentic selves, helping to break down barriers and ultimately create an environment where everyone feels comfortable to be themselves at CPI.



Career progression and competencies

Supporting the development and progression of our people is a strategic priority. A key focus for 2022/23 is ensuring employees know how they can progress from their role, with clear support pathways for both technical and management progression. Competency statements are being refreshed to further support this focus.

We will also continue to provide monthly learning and development drop-in sessions so that individuals have regular opportunities to discuss their own development and the support available to them.

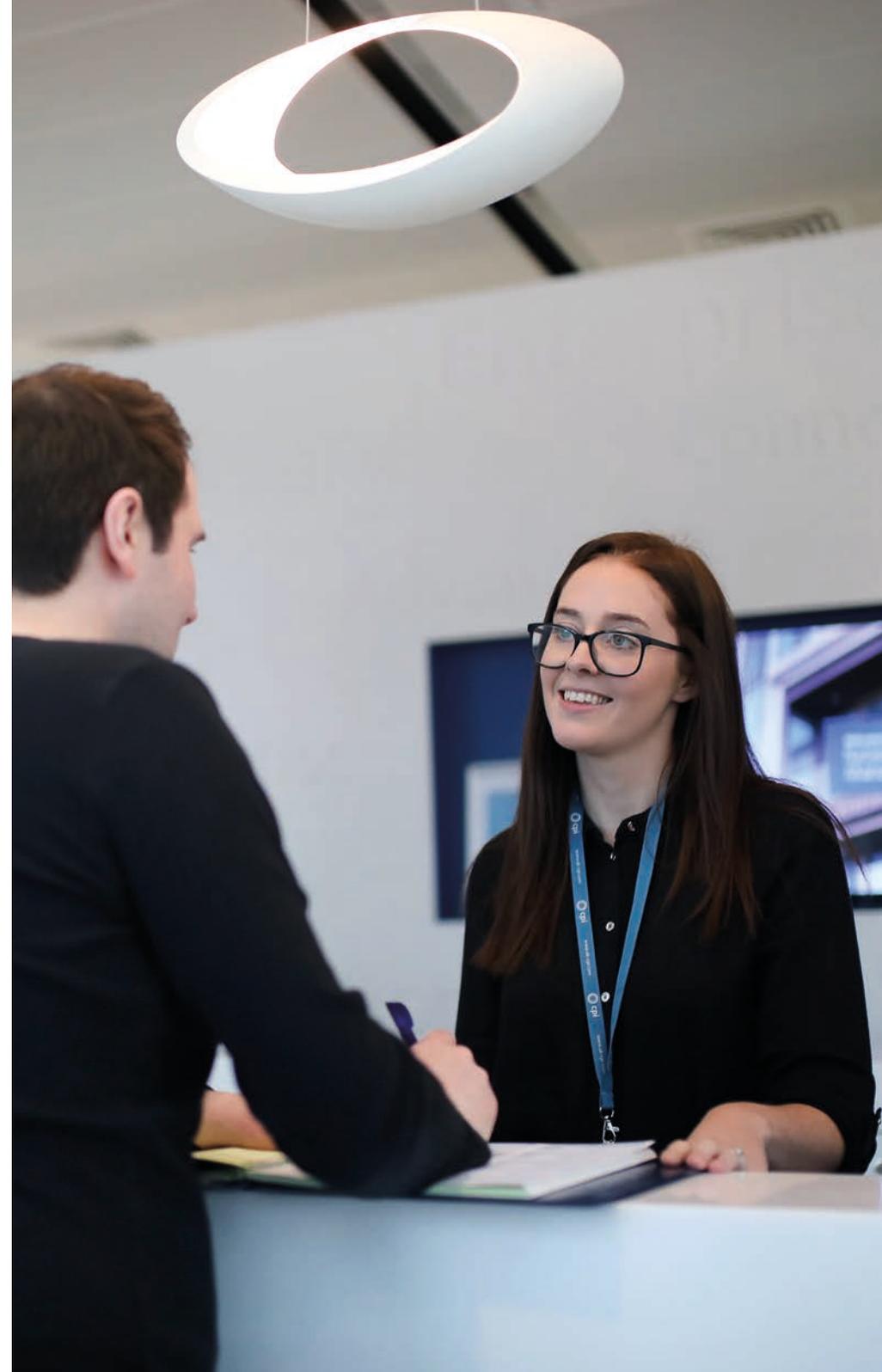


Benefits review

Our benefits offering is a core component of our EVP, enabling us to attract and retain our incredible people. We understand the importance of considering the needs and wants of our people, and new ways of working, alongside what we stand for as an organisation.

In 2021, to improve our employees' work-life balance, we increased our annual holiday allowance.

To further promote work-life balance, in 2022, we'll launch our sabbatical leave policy, which will enable our people to take a 12-month break to focus on their interests, learn new skills or have a well-deserved rest. In addition to this, as we embark on our sustainability journey, we will be launching a 'Cycle to Work' scheme and travel season ticket loans.



Line manager upskilling

At CPI, we recognise the impact of line managers on employee engagement and our culture. We also recognise that different line managers may need different levels of support. To ensure line manager development is both flexible and effective, in 2022 we'll be launching a new approach to line manager upskilling, through a modular continual development plan.



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 style with a large initial "F" and a period at the end.

Frank Millar
Chief Executive Officer

CPI Group of Companies
August 2022

Gender Pay Gap Report

2022/23

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