

Gender Pay Gap Report

2019/20

This data has been taken from 5 April 2019



Our Organisation & 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 the senior level of the organisation. Year on year we have seen improvement in this and this is shown in our upper quartile having increased female proportion further this year. Female representation on our senior leadership team has doubled over the last two years, which is a fantastic demonstration of CPI's commitment to supporting all staff to achieve and progress, regardless of gender.

CPI continues to take active steps to encourage both men and women to develop their careers within our group.



“

At CPI, we aspire to attract, engage and retain the outstanding people and support them to perform to the best of their abilities. We have a strong learning culture at CPI which gives room for all of our people to grow and develop their career. Having seen the organisation grow over the last 17 years I am proud by the enormity of the talent we have here and the emphasis we place on learning for all. We continue to invest in learning and development, fair reward for all, improved family friendly policies and promoting internal growth as some of the ways to continue to have brilliant people doing extraordinary things to positively impact on society.”



Nigel J Perry MBE FREng
Chief Executive Officer

CPI

CPI Group

Mean



2017



2018

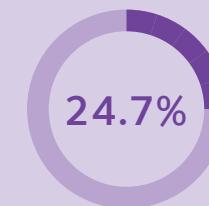


2019

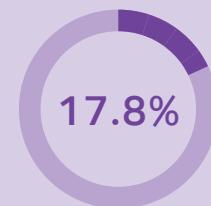
Mean



2017



2018



2019

Median



2017

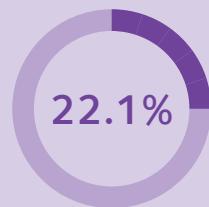


2018

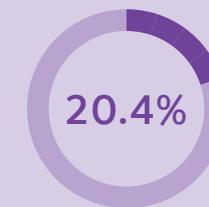


2019

Median



2017



2018



2019

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

CASE STUDY

**Tracey Stonehouse,
Finance Director**



Tracey has been a CPI employee for two and a half years and was appointed as CPI's Finance Director in 2018. Tracey is a Chartered Management Accountant with over 25 years' experience across a range of diverse industries. She has a BA (Hons) degree in Accounting and Finance and is a member of the Chartered Institute of Management Accountants. Tracey began her career with Northumbrian Water as part of their financial graduate training scheme and she has gone on to hold senior positions in several large organisations including BASF, INEOS, Gentoo and North Star Housing.

Tracey started her career at CPI in Sept 2017 as Deputy Director of Operational Finance which involved deputising for the Finance Director and providing leadership and direction to support and develop CPI's Management Accounting, Grant Accounting and Financial Accounting teams. In August 2018 Tracey was asked to take on the role of Director of Finance on an interim basis following the departure of the previous Finance Director. Tracey held the role on an interim basis until February 2019 and after being given the opportunity to demonstrate her capabilities and experience she was successful in her application to take on the role on a permanent basis.

Tracey's key responsibility in her role is to shape and influence the future direction of the company by providing financial leadership and aligning business and finance strategy to ensure company success. Tracey is also responsible for the protection of the vital assets of the company, ensuring compliance with financial regulations and governance, and to effectively manage CPI's financial accounts and

communicate value and risk issues to the executive team and Board.

CPI has supported Tracey's professional development throughout her employment with the company and she has attended a number of courses to support her progression. Most recently Tracey attended an Executive Leadership Development Programme with the London Business School, which has boosted her existing skill sets and strengthened her confidence in making key financial and strategic decisions for CPI. Tracey also helps to develop others at CPI through CPI's mentoring programme. Tracey is a mentor to a number of individuals within the business offering support and advice on career and personal development.

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

"I would definitely and whole heartedly recommend CPI as an employer to others. This is a great place to work with so much support available for employees. CPI offers a strong continuous learning and development programme with succession planning in place to encourage and grow talent from within. Working for CPI feels like you are part of a supportive, encouraging and caring family."

CASE STUDY

**Simon Hadden,
Office Administrator**



Simon is an Office Administrator at CPI and has been with the company for two and a half years. Prior to joining CPI Simon had no administrative experience and had been moving between apprenticeships which were unable to offer permanent employment upon their completion.

Upon joining CPI in July 2017, Simon spent the first 18 months of his career progressing through an apprenticeship in Business Administration. He was working as part of an established administration team dealing with a range of admin tasks to support the business and its 450 employees whilst completing his qualification. Upon completion of his apprenticeship, Simon was offered a full time role as part of the team based at CPI's Darlington site. Simon's role involves general admin duties such as answering the main switchboard, organising meetings, booking travel and ensuring the safety of visitors on site. Simon is based on reception of the facility meaning he is often the first face people see when they visit CPI.

CPI has supported Simon in numerous ways during his career. Not only has Simon been supported in gaining his Level 3 Business Administration qualification but he is also completing a Mental Health First Aider course and general First Aid Refresher training, both of which will equip Simon with the tools to support his CPI's colleagues in different ways. Simon has also been encouraged to get in touch with different departments of the business to try and obtain experience in other areas that are also of interest. Simon regularly supports other teams beyond his general administrative duties. For example, he uses

his IT skills to be creative in the development of tracking documents for the HR team. He is an active member in supporting events within CPI especially when it comes to STEM activities with school visits or recruitment open days for prospective apprentices.

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

"I would definitely recommend CPI as an employer as they try their best to find opportunities within the company for anyone to grow in their career. If there are roles within the company which are appealing to you as an individual, they will help you get the experience and qualifications you need to move towards that. For example, making the jump between an office administrator to a biochemical scientist would be a massive career change, yet within CPI they have the support available to help with a transition like this."

CASE STUDY

Jodie Clemmit, Lab Technician



Jodie has been at CPI for five and a half years and is currently a Lab Technician within CPI's Biologics business unit. Prior to joining CPI Jodie studied IT at Middlesbrough College, before being offered a laboratory technician apprenticeship with the company.

Jodie's apprenticeship began in 2014 in the Tech Transfer team at CPI's Biotechnology business unit. This role gave Jodie the opportunity to develop skills in evaluating processes and writing technical documents. Jodie's main responsibility was preparing and inoculating flasks to move processes from small scale to large scale on plant.

Jodie later moved into the Microbiology team where she supported scientific work that was conducted and developed in laboratories, rather than on the plant. This included providing assistance to the Microbiology Quality Control group and creating cell banks, managing laboratory equipment and documentation, undertaking routine performance checks and general laboratory housekeeping.

In January 2019, Jodie moved to the Analytical team within CPI's Biologics business unit where she has become heavily involved in both commercial and collaborative research and development project work.

Whilst working at CPI Jodie has been supported through a BTEC in Applied Science at Middlesbrough College where she achieved a Distinction. Jodie has excelled both professionally and academically, being awarded the Outstanding Achievement award as a Laboratory Technician through the Sembcorp Skills Development Programme.

Jodie's progression continues to be supported by CPI, with Jodie now working towards a Degree in Biological Sciences at Teesside University.

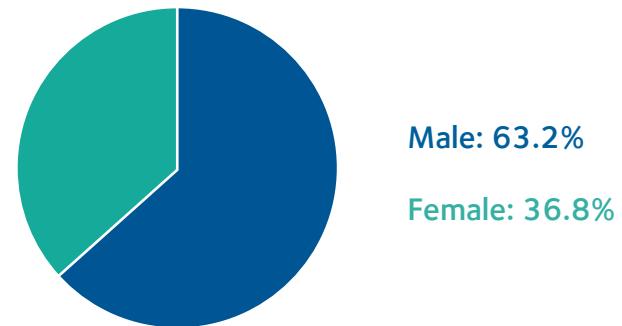
When asked if she would recommend CPI as an employer, Jodie said:

"I would recommend CPI as an employer for they have given me the opportunity and time out of work to study and further my education. Which has allowed me to progress my career at CPI and work on multiple projects, both commercial and CR&D to gain as much knowledge and experience as possible."

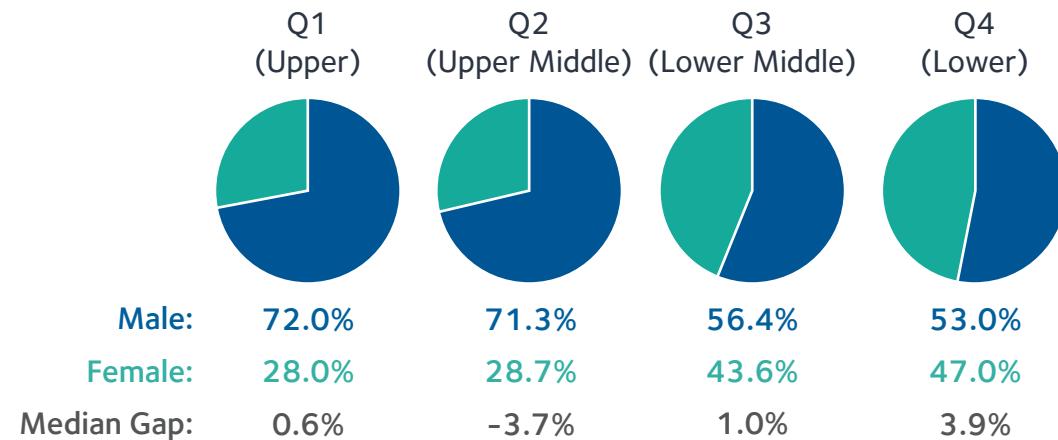
Summary of CPI & CPIIS

| | |
|---|-------|
| Mean gender pay gap | 17.8% |
| Median gender pay gap | 17.2% |
| Mean bonus gender pay gap | 59.4% |
| Median bonus gender pay gap | 0.0% |
| Proportion of males receiving a bonus payment | 9.8% |
| Proportion of females receiving a bonus payment | 10.1% |

Gender makeup of the Company



Proportion of males and females in each quartile pay band



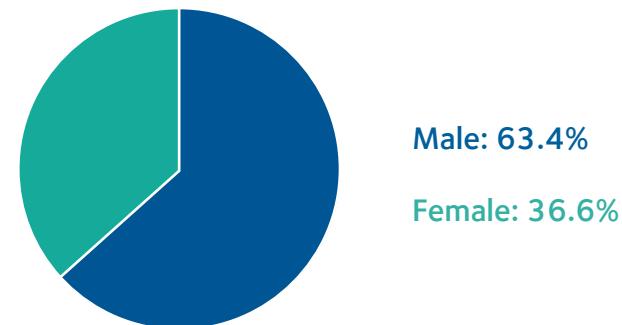
Statistics explained

1. **Mean** – The mean is the sum of the hourly rates of pay for all employees divided by the total number of employees.
2. **Median** – The median is the middle point of the hourly rates of pay for all employees in order from highest to lowest.
3. **Bonus gender pay gap** – CPI's bonus pot for the year was reduced as a whole which has created a larger mean bonus gender pay gap due to the ranges paid. However our median bonus gender pay gap we saw a significant decrease. Bonuses were linked to performance, or to particular pieces of work or projects.

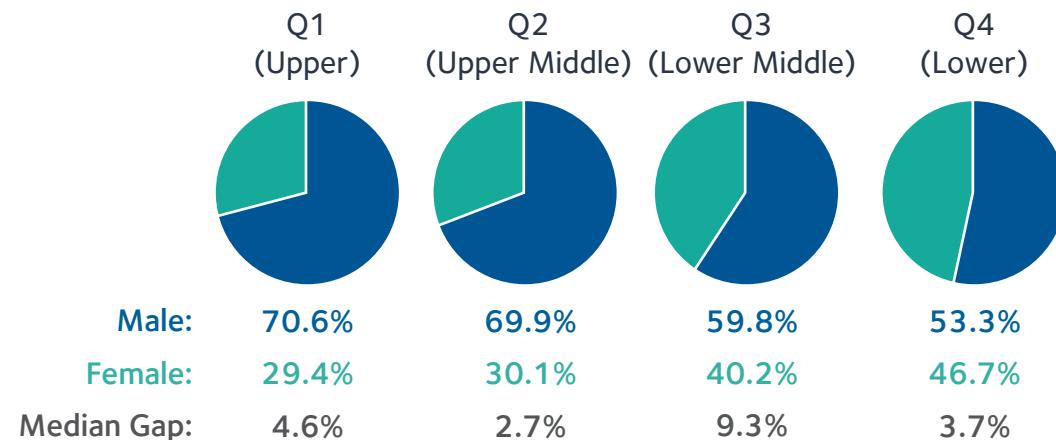
Summary of CPI

| | |
|---|-------|
| Mean gender pay gap | 19.0% |
| Median gender pay gap | 17.9% |
| Mean bonus gender pay gap | 57.5% |
| Median bonus gender pay gap | 0.0% |
| Proportion of males receiving a bonus payment | 9.4% |
| Proportion of females receiving a bonus payment | 9.6% |

Gender makeup of the Company



Proportion of males and females in each quartile pay band



Statistics explained

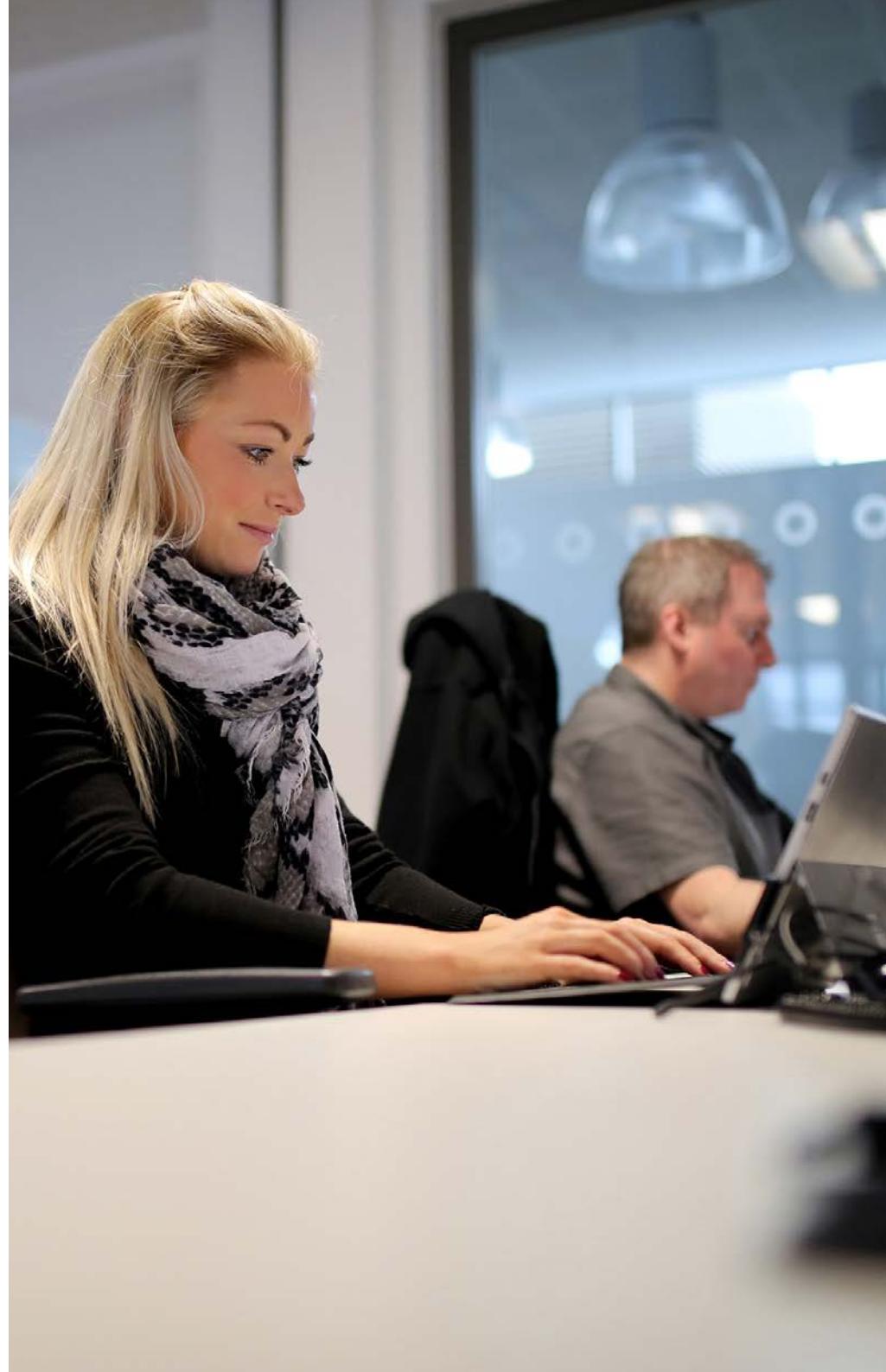
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Summary of 2018/19

Health and Wellbeing

Our people really 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 mental health first aider training, the lauch of our Connecting Fund, line manager training hub, annual leave purchasing scheme, promotion of our Employee Assistance Programme and encouraging all line managers to complete our IOSH Managing Safely training. Throughout the year we have continued to promote our health and wellbeing calendar campaigns which cover a wide range of topics over the year aimed at supporting the health and wellbeing of all staff.



Connecting Fund

Linked to the Social element of our People Matter Plan and following feedback from our employees who requested more social events, CPI was delighted to launch a Connecting Fund which has been designed to:

- enable all of our people to build networks across CPI
- encourage teams to develop together
- support and embrace the unique diversity of experiences, aptitudes, knowledge and skills our people provide
- encourage employee-led relationship building



Reward and Recognition

In 2019, in line with our People Matter Plan, our reward and recognition scheme has been launched and continues to develop. It allows a scaling recognition process which gives a clear and transparent process to all our employees. 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.



Recruitment

CPI provides a fair and transparent recruitment process. Over the past year we have worked hard to make our process simpler but objective. We are always willing to improve where we can so we will continue to develop ways to be inclusive to all.

One area of action we have taken this year was to remove the names of our candidates in the shortlisting process, removing the possibility of unconscious bias in our shortlisting process to ensure a fair recruitment process.



STEM Activity

CPI recognises the significant role it has to play in supporting and developing both internal and external capability and future growth. By using our experienced and professional staff 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. Over the last year (April 18 – April 19) CPI has engaged with 36 Primary and Secondary schools in the local North East area covering a range of activities including social mobility, mentoring, student led career projects, women into STEM and primary school ‘inspiration in industry’ visits.

To support these activities, CPI has 40 in-house STEM Ambassadors made up of 22 women and 18 men from a range of professions and disciplines.



Leadership in Action

We have continued to develop our employees through development programmes, including our advanced leadership programme.

Leadership In Action was designed to build advanced capability and increased confidence amongst CPI leaders. The programme adopted a results driven approach to:

- develop and support a group of senior managers to form a leadership cohort to lead the delivery of business objectives
- have a safe but challenging environment where individuals' potential can be developed and realised
- drive collaboration and performance across CPI; and
- enable the participants to achieve real business results and have some fun!

Our cohort for Leadership In Action programme was made up of 12 participants, with 50% of these being women.

"The leadership program put in place at CPI has brought together a cohort of leaders within the organisation and enabled us to take time out from our busy schedules to work together as a team for the better of the organisation. Personally, this has enabled me to further develop my leadership knowledge from the grounding of the London Business School training CPI has kindly supported me through. Importantly for the group, we now understand our relationships as peers and are working together extremely well; playing to each other's strengths. This initiative has empowered a group of leaders to put new practices into place and truly understand how working together reduces the barriers to implementation. This program has formed the foundations of a high performing leadership team."



Lucy Foley
Director of Biologics

Apprenticeships

CPI strongly believes that people are our greatest asset. Business success and the ability to deliver high quality work to clients depends upon having competent and motivated employees who have the skills, experience and knowledge to deliver on projects and targets.

Apprentices are a key part to CPI's ongoing growth and success, and they provide a practical option to developing our workforce of the future with the right balance of academic study and workplace experience.

We are very proud of our apprentice retention rate. Of those apprentices who have completed their apprenticeship with CPI 94% have gone on to take up further employment with CPI and 82% are still with the business today. During the period April 2018 to March 2019 CPI employed 16 apprentices across the business, a quarter of which were female.

In the same period we had 10 permanent members of staff upskilling using an apprenticeship and 60% of those were female.



Presenting with Confidence

This course looked at how to harness the power of storytelling and incorporate it into working life. Key aspects included examining the recognisable patterns in stories, and how these patterns bring meaning and engagement to presenting. Using the classic story structure to present information, as well as exploring other common narrative structures was built into how to develop meaningful encounters. Strategies for 'hooking in' and persuading audiences were also explored and it culminated in individuals working on presenting a story with clarity and impact, with personalised feedback for increasing skills and confidence.

The participants consisted of female members of CPI's leadership team who had identified a need for development in this area, in order to have a positive impact on their roles within the organisation.



Plans for the next 12 months

As an organisation that values its people, we strive to find ways to continually 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.

Corporate Social Responsibility (CSR)

As a company we are passionate about making a difference to our planet, partnerships and people. Over the last year we have created and established a working group for CPI's CSR and have started to look at ways we can be a socially responsible employer. The CSR group will be working on a range of initiatives, which we will report on next year.



Development in CPI

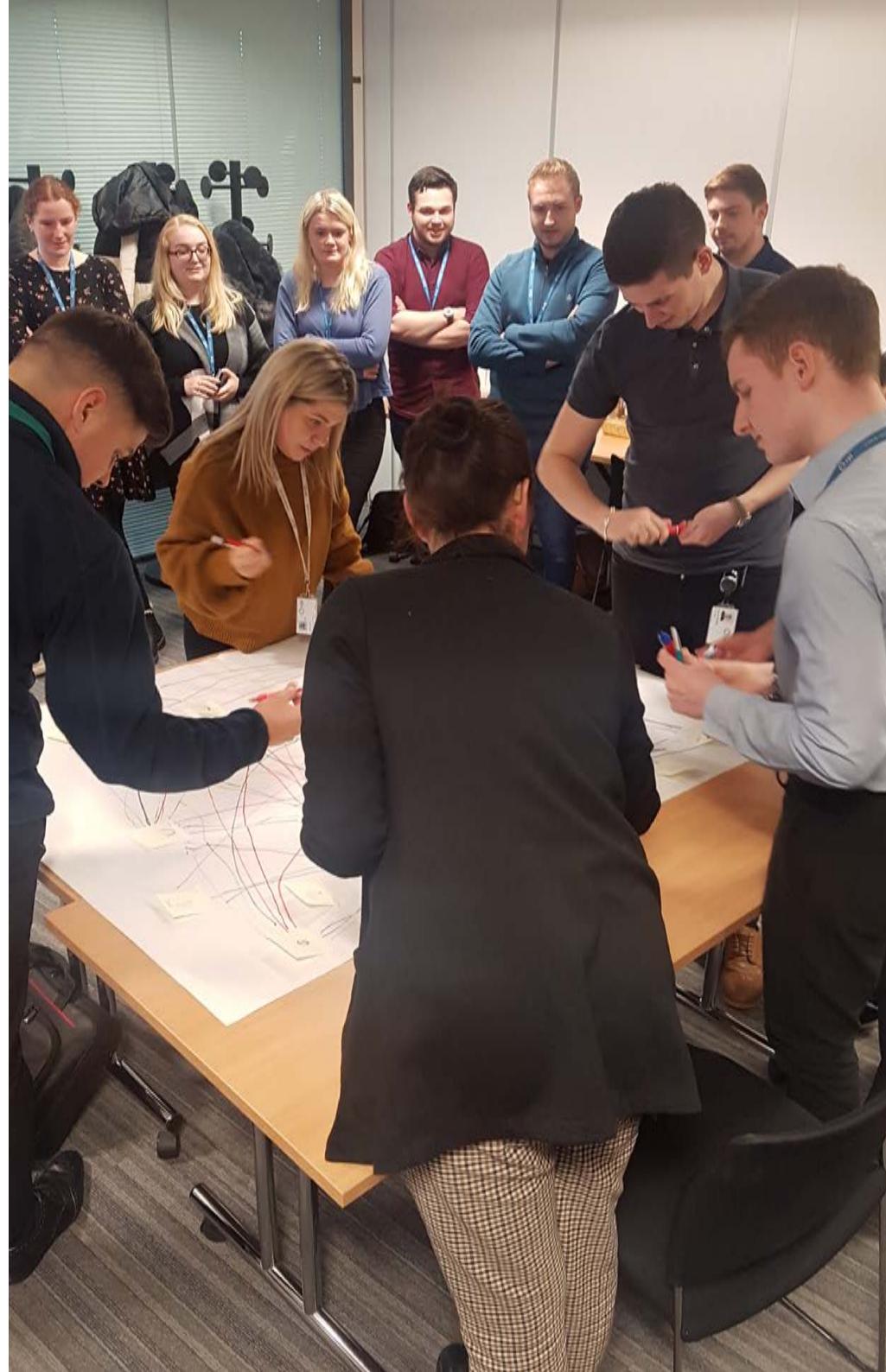
Being a learning organisation, over the next 12 months we will be implementing further programmes to enable our employees to develop and grow, which is a key part of promoting wellbeing and helping our employees to reach their potential.

Line Manager Training

Building our line managers to feel confident and knowledgeable. It is important for CPI to provide our managers with the tools and knowledge to support them to do their role competently at all levels of the business.

Resilience Training

Building the resilience of our employees, this training which is open to all employees is intended to give them the skills to deal with the pressure of everyday working life, to recover and bounce back, and to feel able to deal with changing circumstances. Resilience training is a key part of helping to build our employees into our next generation of leaders and managers.



Being Family Friendly

Maternity and Paternity Scheme

As part of our People Matter Plan and our enhanced approach to Shared Parental Leave, CPI will be creating a maternity and paternity scheme that offers support, guidance and advice around everything the individual needs to know, as well as their line manager.

Although becoming a parent can be a joyful time, CPI is aware it can also be a daunting time, leaving work for a period for the unknown and also the range of emotions returning to work can cause. We want to make the transition of all our employees starting maternity or paternity leave and returning to work, as supportive and smooth as possible.



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 "Nigel Perry". A horizontal line is drawn through the signature.

Nigel J Perry MBE FREng
Chief Executive Officer

Centre for Process Innovation Limited
15 March 2020

Gender Pay Gap Report

2019/20

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