

# Gender pay gap at Wellcome

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Wellcome supports science to solve the urgent health challenges facing everyone. As a global charity working with researchers and others across many different countries and cultures, inclusion and equality are essential to our success, while the greatest opportunities for scientific discovery will come from a diverse and collaborative community of researchers.

Gender pay gap is the difference between the average hourly rates of pay for men and women. By comparing mean or median rates of pay, it reflects broad trends in employment and salaries. A fair and inclusive employer, operating in a fair and inclusive society, would have no pay gaps relating to characteristics such as gender and ethnicity, or to any particular combination of characteristics. At Wellcome, we see our gender pay gap as one important measure of progress towards our goal that by 2030 our staff are representative of the places we work, able to be themselves, and supported to be their best.

We launched our action plan to address our pay gaps in January 2018, and we have put inclusion at the heart of Wellcome's strategy, published in October 2020. We are looking at attitudes, behaviour and knowledge within Wellcome, adapting our approach as we learn more. A number of internal practices and processes are being changed to broaden the diversity of people we fund, engage with and employ. Many of these changes will also help to reduce, and eventually eradicate, our gender pay gap.

## Our gender pay gap

On 5 April 2021, Wellcome had a gender gap in median pay of 13.2%, which is below the UK average, reported as 15.5% in 2020 by the Office for National Statistics (ONS). Our gender gap in mean pay was 23%, compared with 14.6% for the UK overall in 2020. Median pay is the preferred measure used by the ONS because it is less affected by extreme outliers.

## Median and mean gender pay gaps 2021

### Median gender pay gap

**13.2%**

(Excluding Investments team: 11.1%)

-2.7 from 2020 (15.9%)

### Mean gender pay gap

**23%**

(Excluding Investments team: 18.4%)

-2.6 from 2020 (25.6%)

## Gender make-up of Wellcome's pay quartiles 2021

### Upper quartile

Women **55.4%** +0.9 from 2020 (54.5%)

Men **44.6%** -0.9 from 2020 (45.5%)

### Upper middle quartile

Women **63.2%** -3.2 from 2020 (66.4%)

Men **36.8%** +3.2 from 2020 (33.6%)

### Lower middle quartile

Women **72.4%** -1.5 from 2020 (73.9%)

Men **27.6%** +1.5 from 2020 (26.1%)

### Lower quartile

Women **71.9%** +1.8 from 2020 (70.1%)

Men **28.1%** -1.8 from 2020 (29.9%)

These reductions continue our positive trend of closing the gap year on year. Over the five years that we have reported our gender pay gap data, it has reduced steadily but more slowly than we would like. We remain committed to making fundamental long-term changes in line with our action plan to make Wellcome a more diverse and inclusive employer. This is a more sustainable approach than short-term fixes and will be reflected in our pay gap data in years to come.

## Median and mean bonus gender pay gaps 2021

### Median gender bonus pay gap

**22.8%**

(Excluding Investments team: **18.8%**)

+4.6 from 2020 (18.2%)

### Mean gender bonus pay gap

**80.7%**

(Excluding Investments team: **31.8%**)

+31.3 from 2020 (49.4%)

## Proportion of women and men receiving a bonus payment 2021

Women

**86.8%**

+8.6 from 2020 (78.2%)

Men

**85.8%**

+11.7 from 2020 (74.1%)

The size and year-on-year variation of the gap in bonus pay relates in large part to the long-term incentive plans we use within our Investments team. These strongly affect the overall bonus pay data because bonus payments made as part of these plans are significantly higher than bonuses elsewhere in Wellcome, reflecting the wider market for investment professionals. There are currently more men than women in senior investment positions, leading to an overall gender bonus gap.

As with the rest of Wellcome, remuneration for investments colleagues is benchmarked to the wider market, as we need to attract and retain world-class investment experts to help us continue to fund our work. Having our own in-house investment team saves us around £250m a year compared to the fees we would otherwise have to pay to external fund managers.

If we set aside our Investments team's data, the gender bonus pay gaps for the rest of the organisation are smaller, although wider than in 2020. There was, however, no evidence of gender bias in performance ratings in 2020. Rather, this widening was largely due to the under-representation of women at our most highly paid levels, meaning that year-on-year variations, including turnover, among a small cohort can have a significant effect on the calculations.

## What Wellcome is doing now

Overall, Wellcome does not struggle to recruit women but there is more to do at the most senior levels. We also plan to do more to support career progression, inclusive management and fair decisions in relation to promotions and salaries.

### In 2021 we have:

- Made recruitment training mandatory for managers involved in hiring
- Made demonstrable experience of building and supporting diverse and inclusive teams a requirement for senior leadership positions
- Continued to review promotion and reward decisions to check for bias
- Introduced a more robust and consistent exit interview process.

### Next steps include:

- Continuing to focus on senior recruitment
- Implementing inclusive career frameworks to drive transparency and fairness in the way we promote and develop people
- Reviewing our policies, including our parental leave, and absence policies
- Developing targeted support for women at key life milestones that typically affect career progression
- Piloting a women's leadership programme.

Some planned activities, such as the policy review and unconscious bias training had to be postponed this year in response to the Covid-19 pandemic.

Wellcome's strategy for the years ahead is founded on a commitment to more proactively change some of the systemic issues that hinder diversity and equity in health, in research culture, and in our own organisation. Driving change in culture and behaviour takes time and requires a long-term commitment to a programme of actions. Implementing this strategy provides an opportunity to integrate inclusive practices in our culture as well as in the ways we look to improve health through research.

**Jeremy Farrar**, Director of Wellcome