

# 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 equity 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 2031 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 2022, Wellcome had a gender gap in median pay of 15.4%. This is slightly wider than the UK average, reported as 14.9% in 2022 by the Office for National Statistics (ONS). Our gender gap in mean pay was 21.8%. Median pay is the preferred measure used by the ONS because it is less affected by extreme outliers.

Our median gender pay gap has increased slightly this year. This is likely to be because of an unusual level of promotions and changes to mid-level roles as a result of a major organisational re-design in 2021.

## Median and mean gender pay gaps 2022

### Median gender pay gap

**15.4%**

(Excluding Investments team: 13%)

+2.2 from 2021 (13.2%)

### Mean gender pay gap

**21.8%**

(Excluding Investments team: 16.8%)

-1.2 from 2021 (23%)

## Gender make-up of Wellcome's pay quartiles 2022

### Upper quartile

Women **57%** +1.6 from 2021 (55.4%)

Men **43%** -1.6 from 2021 (44.6%)

### Upper middle quartile

Women **64.8%** +1.6 from 2021 (63.2%)

Men **35.2%** -1.6 from 2021 (36.8%)

### Lower middle quartile

Women **71.9%** -0.5 from 2021 (72.4%)

Men **28.1%** +0.5 from 2021 (27.6%)

### Lower quartile

Women **74%** +2.1 from 2021 (71.9%)

Men **26%** -2.1 from 2021 (28.1%)

## Median and mean bonus gender pay gaps 2022

### Median gender bonus pay gap

**15.2%**

(Excluding Investments team: 13.9%)

-7.6 from 2021 (22.8%)

### Mean gender bonus pay gap

**86.1%**

(Excluding Investments team: 25.2%)

+5.4 from 2021 (80.7%)

## Proportion of women and men receiving a bonus payment 2022

Women

**73.3%**

-13.5 from 2021 (86.8%)

Men

**80.2%**

-5.6 from 2021 (85.8%)

Over the past six years, our gender pay gap has reduced steadily but more slowly than we would like. Despite a slight increase in the median gender pay gap this year, the consistent reduction in our mean gender pay gap suggests the overall downward trend will be sustained. 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 over the years to come.

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 Investments team saves us around £250 million a year in 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 and have decreased since 2021.

## 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 plan to do more to support career progression, inclusive management, and fair decisions in relation to promotions and salaries. In 2022, we have:

- introduced new benefits relating to fertility, menopause and other key life milestones, that will typically support women's career progression
- begun to review our policies, including family and absence policies
- improved our process for analysing of promotions and exit interview data to improve decision making and better understand retention
- developed a management development programme for people managers, including a module on inclusion and equity, diversity and inclusion with good practice embedded throughout.

### Next steps include:

- continuing to focus on senior recruitment
- hiring for a new role of Director of Equity, Diversity and Inclusion
- developing inclusive career frameworks to drive transparency and fairness in the way we promote and develop people
- creating an inclusive recruitment policy and guidance to include clear transparent and equitable hiring criteria
- reviewing our organisational approach to flexible working.

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