

Gender pay gap at Wellcome

April 2023 data, published November 2023



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.

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 our gender pay gap.

Our gender pay gap

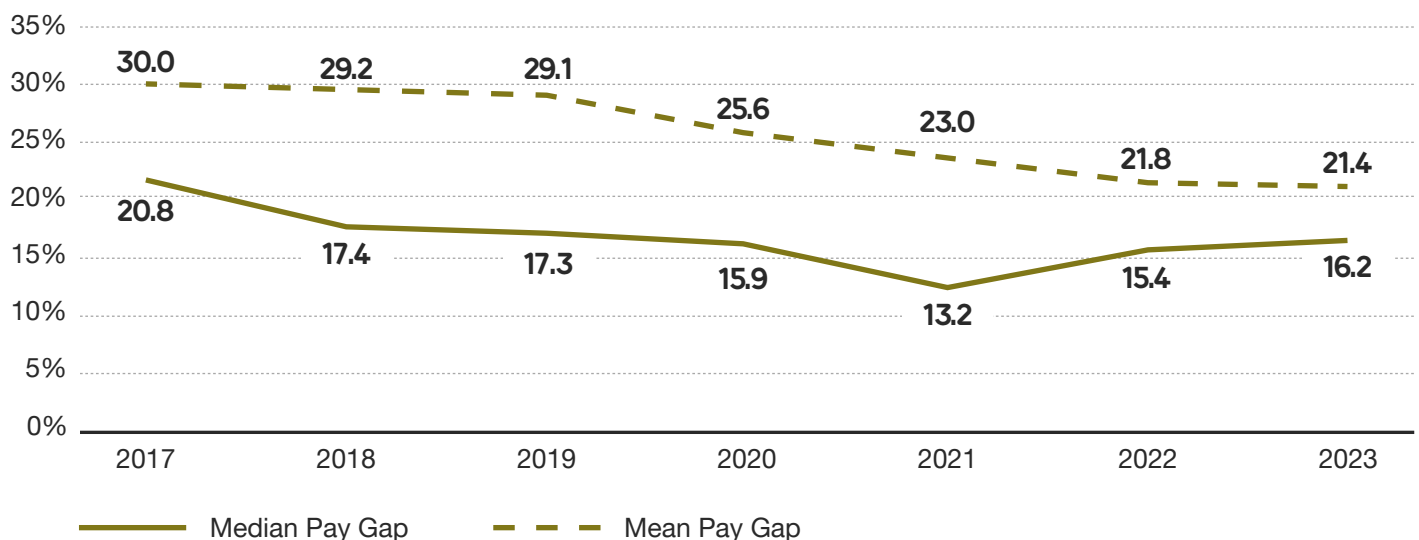
On 5 April 2023, Wellcome had a gender gap in median pay of 16.2%. This is slightly wider than the UK average, reported as 14.3% in 2023 by the Office for National Statistics (ONS). Our gender gap in mean pay was 21.4%. Median pay is the preferred measure used by the ONS because it is less affected by extreme outliers.

Our median gender pay gap has risen this year. This is mostly due to higher rates of men being promoted into mid-levels in the organisation. The median rate of pay has gone up for both men and women, however it has gone up more for men.

Our mean gender pay gap has reduced slightly this year. This is predominantly due to the impact of new joiners – either junior men or senior women – being recruited to Wellcome.

Our gender pay gap is largely driven by fewer men at the lower levels of the organisation. We need to understand this issue more fully in order to determine the drivers behind it.

Gender Pay Gap Trend



Over the past seven years, our gender pay gap has reduced steadily. Since 2017, the mean has reduced by 8.6%, from 30% in 2017 to 21.4% in 2023. 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. It is this long-term trend that's important, and year-on-year fluctuation is to be expected. 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 we expect this to 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 Investment 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, contributing to an overall gender bonus gap.

As with the rest of Wellcome, remuneration for Investments colleagues is benchmarked to the external 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 Investment team's data, the gender bonus pay gaps for the rest of the organisation are smaller and have decreased since 2021.

The gender pay gap is not the same as equal pay, which is ensuring that that men and women in similar positions receive comparable pay. Wellcome compensates our employees fairly and equitably with equal pay for equal work. We maintain robust policies and practices reinforcing our commitment, including analyses from outside experts, with oversight from our Board and senior leaders. Our equal pay audit found no cases of unequal pay for equal work at Wellcome, by gender or any other characteristic.

Median and mean gender pay gaps 2023

Median gender pay gap

16.2%

Excluding Investments team: **13.2%***

+0.8 from 2022 (15.4%)

Mean gender pay gap

21.4%

Excluding Investments team: **15.6%**

-0.4 from 2022 (21.8%)

Gender make-up of Wellcome's pay quartiles 2023

Upper quartile	Women	56.1%	-0.9 from 2022 (57%)
	Men	43.9%	+0.9 from 2022 (43%)
Upper middle quartile	Women	65.9%	+1.1 from 2022 (64.8%)
	Men	34.1%	-1.1 from 2022 (35.2%)
Lower middle quartile	Women	74%	+2.1 from 2022 (71.9%)
	Men	26%	-2.1 from 2022 (28.1%)
Lower quartile	Women	72%	-2.0 from 2022 (74%)
	Men	28%	+2.0 from 2022 (26%)

Median and mean bonus gender pay gaps 2023

Median gender bonus pay gap

16.4%

Excluding Investments team: **13.3%**

+1.2 from 2022 (15.2%)

Mean gender bonus pay gap

69.1%

Excluding Investments team: **19.9%**

-17 from 2022 (86.1%)

Proportion of women and men receiving a bonus payment 2023

Women

76.9%

+3.6 from 2022 (73.3%)

Men

76.1%

-4.1 from 2022 (80.2%)

What Wellcome is doing now

Overall, Wellcome does not struggle to recruit women. There are still more women than men in more junior roles, however, and this continues to have an impact on our gender pay gap. We plan to focus on more equitable access to development in role and development opportunities.

In 2023, we have:

- appointed Wellcome's first Chief Equity, Diversity and Inclusion Officer
- reviewed and improved our parental leave policies to be more inclusive and better support new parents
- introduced a diversity data dashboard, and regular reviews of this at executive leadership meetings
- completed a pilot Management Development programme for people managers, including a module on Inclusion and with EDI good practice embedded throughout.

Next steps include:

- building learning and development opportunities that are inclusive and accessible, focusing on developing all staff to contribute to Wellcome's strategy
- deeper analysis of our retention and internal moves data and understand reasons for staff leaving
- launching quarterly staff pulse surveys to better understand staff experience at Wellcome, which can be analysed on EDI characteristics.

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.

Paul Schreier

Interim CEO of Wellcome