

Gender pay gap at Wellcome

Published July 2018 – for April 2018 pay figures



Wellcome improves health by helping great ideas to thrive. As a global charity that works with scientists, researchers, artists and educators across different countries and cultures, we are committed to inclusion and equality. It is important to us to create a working culture that is open and where differences are respected, valued and celebrated.

Gender pay gap is the difference between the average 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 gender or to other characteristics such as ethnicity. At Wellcome, we see our gender pay gap as one important measure of how much more we have to do to become a truly inclusive place to work.

Diversity and Inclusion is a priority area at Wellcome. We are changing some of our internal structures and practices in order 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 2018, Wellcome had a gender gap in median pay of 17.4%, slightly better than the 2017 UK average, which the Office for National Statistics (ONS) reports as 18.4%.

Our gender gap in mean pay was 29.2% compared with 17.4% for the UK overall in 2017. Median pay is the preferred measure used by the ONS because it is less affected by extreme outliers.

Median and mean gender pay gaps 2018

Median gender pay gap

17.4%

(Excluding Investments team: **16.8%**)

-3.4 from 2017 (20.8%)

Mean gender pay gap

29.2%

(Excluding Investments team: **23.4%**)

-0.8 from 2017 (30.0%)

Our median gender pay gap has improved from 20.8% in 2017, when we first reported our data, but it is not possible to say whether this is part of a longer trend. And although we have begun to make changes to improve diversity and inclusion at Wellcome, it is too soon for these to have had a significant effect on our gender pay gap.

As in 2017, our gender pay gap is mainly the result of the disproportionate balance of men and women at different levels of Wellcome. Around 66% of Wellcome employees are women, but most of the highest-paid senior roles are held by men, which pushes up the average rate of pay – both median and mean – for men at Wellcome.

Median and mean bonus gender pay gaps 2018

Median gender bonus pay gap

29.0%

(Excluding Investments team: **16.1%**)

+6.4 from 2017 (22.6%)

Mean gender bonus pay gap

82.6%

(Excluding Investments team: **14.3%**)

+3.8 from 2017 (78.8%)

The gap in bonus pay is much wider, largely because of the long-term incentive plans we use within our Investments team. In 2018, some senior members of our Investments team – mostly men – received substantial bonuses through their long-term incentive plans, increasing the gender bonus pay gap considerably. While payments made through such plans can be much higher than bonuses elsewhere in Wellcome, this approach is more cost-effective than paying external fund managers.

If we set aside our Investments team's data, the median bonus gap falls much closer to the gap in median pay, reflecting the fact that bonuses across the rest of the organisation usually relate more directly to annual salary.

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A relatively small number of people in senior roles outside Investments can receive substantial bonuses at Wellcome. This makes the gap in mean bonus pay (excluding the Investments team) sensitive to changes in individual circumstances among this group from year to year and the rise in 2018 was mostly because of changes in personnel.

Proportion of women and men receiving a bonus payment 2018

Women
75.6%

+0.6 from 2017 (75.0%)

Men
74.6%

Same as 2017 (74.6%)

Gender balance of each pay quartile 2018

Upper quartile	F	47.8%	Same as 2017 (47.8%)
	M	52.2%	Same as 2017 (52.2%)
Upper middle quartile	F	66.1%	+4.4 from 2017 (61.7%)
	M	33.9%	-4.4 from 2017 (38.3%)
Lower middle quartile	F	79.2%	+3.4 from 2017 (75.8%)
	M	20.8%	-3.4 from 2017 (24.2%)
Lower quartile	F	65.8%	-4.1 from 2017 (69.9%)
	M	34.2%	+4.1 from 2017 (30.1%)

What Wellcome is doing now

Wellcome is committed to creating a working culture in which people are motivated and equipped to reduce bias in their work, and where there is a balance of genders at all levels. As we learn more about the specific barriers that disadvantage certain groups of people from progressing in our workplace, we will remove these barriers. We will continue to be open and honest about our progress, including publishing our gender pay gap data alongside other organisations based in the UK.

So far in 2018, we have updated the diversity monitoring questions that we ask of our colleagues. Analysis of this new data is underway and will be complemented by an all-staff survey in the autumn to understand people's actual experiences of working at Wellcome, which will help us to target new initiatives effectively.

Training to mitigate bias will roll out to all staff by summer 2019 and is already part of an inclusive leadership programme for our Executive Leadership Team. We are also developing new initiatives to improve the way we make the most of the talents within Wellcome and to introduce fairer ways to recruit, support and retain women at senior leadership levels. I am committed to having a gender-balanced Executive Leadership Team at Wellcome by 2023.

Our next priorities include building a workplace culture where parental and adoption leave is gender-neutral, and where flexible working is possible at all levels.

Embedding diversity and inclusion in Wellcome's culture will open us up to a wider range of voices, helping us make better decisions. In the longer term, it will bring more people together and help us achieve our mission of improving health for everyone.

Jeremy Farrar
Director
Wellcome