

Gender pay gap at Wellcome

Published September 2019 – for April 2019 pay figures



Wellcome improves health by helping great ideas to thrive. As a global charity working with scientists, researchers and others across many different countries and cultures, we are committed to inclusion and equality. Our aspiration is 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 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 how much more we have to do to become an inclusive place to work.

Diversity and Inclusion is a priority area at Wellcome, and an action plan was introduced in January 2018. 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 2019, Wellcome had a gender gap in median pay of 17.3%, slightly lower than the UK average,

Median and mean gender pay gaps 2019

Median gender pay gap

17.3%

(Excluding Investments team: **16.6%**)

-0.1 from 2018 (17.4%)

Mean gender pay gap

29.1%

(Excluding Investments team: **22.6%**)

-0.1 from 2018 (29.2%)

which the Office for National Statistics (ONS) reported as 17.9% in 2018. Our gender gap in mean pay was 29.1%, compared with 17.1% for the UK overall. Median pay is the preferred measure used by the ONS because it is less affected by extreme outliers.

This is the third time we have reported our gender pay gap data and following some improvement from 2017 to 2018, it's disappointing not to see more progress. However, we are confident that the fundamental changes we are introducing in line with our action plan will make Wellcome a more diverse and inclusive employer over time. 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 2019

Median gender bonus pay gap

12.5%

(Excluding Investments team: **6.3%**)

-16.5 from 2018 (29.0%)

Mean gender bonus pay gap

87.9%

(Excluding Investments team: **10.3%**)

+5.3 from 2018 (82.6%)

Looking at the gender balance across Wellcome, there has been an increase in the number of women in the upper pay quartile, reflecting more female representation at senior levels. However, within that quartile it still tends to be men in the highest-paid roles. And while we are moving towards a more even balance in the middle quartiles, a higher proportion of junior men left the organisation last year, which increased the proportion of women employed at the lower pay quartile.

Wellcome's gender gap in median bonus pay narrowed considerably this year to 12.5%. The gap in mean bonus pay remains much wider and increased slightly this year to 87.9%.

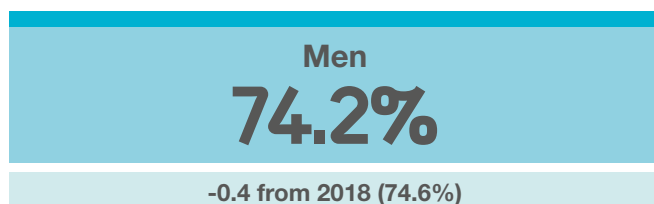
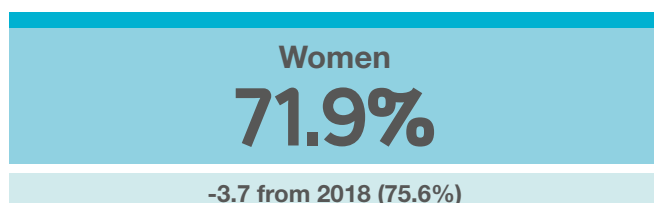
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The size of the gap in bonus pay relates to the long-term incentive plans we use within our Investments team. As in the past two years, some senior members of the team, mostly men, received substantial bonuses through their plans. While payments made through such plans can be much higher than bonuses elsewhere in Wellcome, they are competitive within

Proportion of women and men receiving a bonus payment 2019



Gender balance of each pay quartile 2019

Upper quartile	F	51.5%	+3.7 from 2018 (47.8%)
	M	48.5%	-3.7 from 2018 (52.2%)
Upper middle quartile	F	64.6%	-1.5 from 2018 (66.1%)
	M	35.4%	+1.5 from 2018 (33.9%)
Lower middle quartile	F	75.0%	-4.2 from 2018 (79.2%)
	M	25.0%	+4.2 from 2018 (20.8%)
Lower quartile	F	72.3%	+6.5 from 2018 (65.8%)
	M	27.7%	-6.5 from 2018 (34.2%)

the investments sector. This in-house approach strengthens Wellcome's professional diversity and is more cost-effective than paying external fund managers. If we set aside our Investments team's data, the gender bonus pay gaps for the rest of the organisation are much smaller.

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.

This year, we have:

- made unconscious bias training available to all staff, following successful pilots last year
- reviewed performance ratings, which determine most employees' bonuses, to identify any anomalies relating to gender
- included an indicative salary and our diversity and inclusion statement in all job ads, and stopped asking candidates to tell us their current salary
- prioritised diversity and inclusion data monitoring, analysis and reporting
- launched a new flexible working policy to support all our colleagues who want or need different working patterns.

In September 2019, Wellcome launched a campaign to reimagine research culture and make it more creative, inclusive and honest. Wellcome is part of that culture – indeed, Wellcome shapes that culture in many ways. And just as increasing diversity and inclusion will make science and research stronger, so a more diverse and inclusive Wellcome will only get better at achieving our mission of improving health for everyone.

Gender pay gaps exist because there is sexism in our society and, by extension, in Wellcome. I hope that our efforts to close Wellcome's gender pay gap will encourage positive change for individuals and organisations across the research sector and across society as a whole. I will continue to be open and honest about our progress, challenges and failings. Our actions will be guided by evidence, what we learn along the way and the experiences of everyone at Wellcome.

Jeremy Farrar
Director of Wellcome