

Gender pay gap at Wellcome

April 2017



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.

In November 2016, Wellcome made Diversity and Inclusion a priority area, acknowledging that in order to broaden the diversity of people we fund, engage with and employ, we had to change some of our internal structures and practices. Many of the changes we are committed to will also help to reduce, and eventually eradicate, our gender pay gap.

Our gender pay gap

On 5 April 2017, Wellcome had a gender gap in median pay of 20.8%, slightly wider than the UK median.

Median and mean gender pay gaps

Median gender pay gap

20.8%

Excluding Investments team: **19.8%**

National median: **18.1%**

Mean gender pay gap

30.0%

Excluding Investments team: **24.2%**

From the data used to calculate this figure and from a recent equal pay review, this gap exists mainly because of the disproportionate balance of men and women at different levels of Wellcome. Overall, around 64% of Wellcome employees are women, but most of the highest-paid senior roles in Wellcome are held by men. This imbalance has a larger effect on the gap in mean pay because the number of men receiving significantly higher rates of pay is relatively small.

Bonuses at Wellcome are usually awarded as a percentage of annual salary, so the gender gap in median bonus pay is similar to the gap in median pay.

Median and mean bonus gender pay gaps

Median gender bonus pay gap

22.6%

Excluding Investments team: **19.7%**

Mean gender bonus pay gap

78.8%

Excluding Investments team: **6.5%**

The gap in mean bonus pay is significantly wider – this is almost entirely because of the long-term incentive plans we use within our Investments team. While payments made through such plans can be much higher than bonuses elsewhere in Wellcome, this approach is much more cost-effective than paying external fund managers, especially considering the outstanding sustained returns the team has achieved in recent years. In 2017, the three most senior members of our Investments team – all men – received significant bonuses through their long-term incentive plans, skewing the overall mean bonus pay gap considerably. Across the rest of Wellcome, the gender gap in mean bonus pay was 6.5%.

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Proportion of women and men receiving a bonus payment

Women

75.0%

Men

74.6%

Gender balance of each pay quartile

Upper quartile

F 47.8%

M 52.2%

Upper middle quartile

F 61.7%

M 38.3%

Lower middle quartile

F 75.8%

M 24.2%

Lower quartile

F 69.9%

M 30.1%

What Wellcome is doing now

Wellcome is committed to becoming a more inclusive employer. Changes already underway include improving our diversity data so that we understand better where to target new initiatives. In 2018, we are providing training for all our staff to mitigate bias, and we have begun working towards a balanced distribution of men and women throughout Wellcome. In particular, we will be introducing fairer ways to support the recruitment, progression and retention of women at senior leadership levels. I have made a personal commitment to having a gender-balanced Executive Leadership Team at Wellcome by 2023.

Our collective aim is to create a 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 them. Gender pay gap will be one way of measuring our progress, and we welcome the opportunity to be open and honest about where we are by publishing our data alongside other organisations based in the UK.

Embedding diversity and inclusion in Wellcome's culture will give us access to a wider range of voices, helping us make better decisions. In the longer term, it will also strengthen a culture of international research in which everyone feels able to contribute their ideas, the great ideas we need to improve health.

Jeremy Farrar

Director
Wellcome