Gender pay gap report

2018–19
Addressing the gender pay gap at Cancer Research UK

When I joined Cancer Research UK in November 2018, I was very pleased to learn that we had already made equality, diversity and inclusion central to our people strategy. It is an issue I am very passionate about.

I'm also committed to progressing the steps we’re already taking to reduce our gender pay gap.

We’ve made some headway from last year, but we need to go further. Therefore we’ll be setting ourselves ambitious targets to make sure we continue to reduce our gender pay gap.

I have agreed with our Council of Trustees to set targets on two of the primary drivers of our gender pay gap; the proportion of women we have in both senior and technology roles.

Our people are undoubtedly one of Cancer Research UK’s biggest assets. Delivering on our equality, diversity and inclusion strategy will enable us to better represent the people we serve so that together we will beat cancer.

Michelle Mitchell
Chief Executive Officer

Gender pay gap vs equal pay

Equal pay is not the same as the gender pay gap, and has been a legal requirement for nearly 50 years.

<table>
<thead>
<tr>
<th>Gender pay gap</th>
<th>Equal pay</th>
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<tbody>
<tr>
<td>The difference in average pay between all men and women regardless of the work they perform</td>
<td>Being paid the same for like/similar work</td>
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We are an equal pay employer. We conduct regular reviews to ensure our people are paid equally for equivalent work.

What is the gender pay gap at Cancer Research UK?

We published figures from the first snapshot date of 5 April 2017 at the end of March 2018. The figures published in this report are as at the second snapshot date, 5 April 2018.

To determine the gender pay gap, the Government requires companies to measure the average hourly earnings of all male and female employees, regardless of role and working hours, and show the percentage difference between the two. Like many organisations, we have work to do and we’re committed to taking action to reduce our gender pay gap.

<table>
<thead>
<tr>
<th>Gender pay gap</th>
<th>2018</th>
<th>2017</th>
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<tbody>
<tr>
<td>Mean (Average)</td>
<td>17.8%</td>
<td>18.7%</td>
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<tr>
<td>Median (Middle)</td>
<td>21.3%</td>
<td>19.2%</td>
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Why has our pay gap changed since 2017?

Why has our mean (average) pay gap reduced?

We’ve reduced our mean pay gap from 18.7% to 17.8%, which is an encouraging start.

We’ve taken action on our commitments by increasing the proportion of women at our most senior levels. We’ve increased the women on our Executive Board from three to four, out of eleven. Since April 2018 our new CEO Michelle and new CFO Rita Akushie have joined. Our next most senior role, director, is now 45% female (2017 40%), and our head of department role has increased to 78% female (2017 74%).

Why has our median (middle value) pay gap increased?

Our median pay gap has increased from 19.2% to 21.3%. The median pay gap is influenced by gender headcount and distribution across our different teams and departments.

As part of our business strategy we’ve increased the number of shops and therefore retail employees. These roles, in line with the sector, are some of our lowest paid roles and they’re predominately female. Therefore, this has caused our median pay gap to increase.

Bonuses at Cancer Research UK

Percentage receiving a bonus

90% of our bonuses are paid through our retail bonus scheme (65%) and our recognition voucher scheme (25%). Our retail bonuses tend to be small amounts and are standard practice in the retail sector.

We have a high proportion of women (79%) in retail roles, resulting in a higher percentage of women receiving bonuses overall.

The definition of bonus payments is broad, and our bonus gap is driven by a small number of lump sum payments that are paid in lieu of a salary increase. These typically go to more senior roles, which have disproportionately more men.

Bonus pay gap 2018 2017

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
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<tbody>
<tr>
<td>Mean (Average)</td>
<td>30.9%</td>
<td>20.1%</td>
</tr>
<tr>
<td>Median (Middle)</td>
<td>18.8%</td>
<td>18.8%</td>
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Bonus information is based on all bonuses paid over 12 months between April 2017 and April 2018.
What are we doing to close our gender pay gap?

We’re not where we want to be with our gender pay gap and as part of our commitment to our Equality, Diversity and Inclusion strategy, we’re taking action to reduce it. Below is a summary of our commitments in the short and long term, which will encourage equal representation at all levels:

**Equality, Diversity and Inclusion strategy**

Launched in 2017, this has been strongly endorsed by our Executive Board and Council of Trustees. A diverse workforce has huge benefits for us as an organisation, and our ability to engage with everyone who is affected by cancer. We’ve an equality, diversity and inclusion Manager in place to provide leadership and focus on this important area.

**Balanced senior leadership team**

We’ve set ourselves a target of reaching a minimum 50% female representation in our two most senior roles, executive director and director, within three years. In the last year we’ve improved the balance of this population from 40% female to 45% female, through promotions and recruitment. We’ll continue to insist on at least 50% female shortlists for these roles and this’ll apply to all vacancies whether they are sourced directly or via external search partners.

**Addressing the gap in our technical roles**

This year we’ve set ourselves an ambitious target to achieve gender parity in our technology roles within three years. Last year we signed up to the Tech Talent Charter pledge, which works to bring together industries and organisations with the aim of driving diversity and addressing gender imbalance in technology roles.

**Flexible working**

Part of building a more diverse workforce is being open to different working needs. We consider flexible working patterns and locations for all our roles and endeavour to meet all requests where we’re able to do so. We’re modernising the technology we give to our employees to enable more flexible working, and to provide a more inclusive working environment for those working away from our main offices.

**Nurturing female talent at senior levels**

We’ve made progress and are proud to have increased the number of female heads of department from 74% to 78%. We’ll continue to actively provide coaching, senior sponsorship, and access to high profile development programmes to support them in becoming the directors and executive directors of the future.

**Ensuring an inclusive recruitment and selection process**

Our commitment to equality, diversity and inclusion is already referenced in all our recruitment advertising. We’re also evaluating our attraction and selection methods to ensure we’re making our career opportunities attractive and accessible to a broad audience. This includes eliminating any unintentionally biased language in our adverts, through to providing hiring manager training to drive fair and objective recruitment decisions.

**Statement**

I confirm that the information and data provided are accurate.

Michelle Mitchell
Chief Executive Officer
Together we will beat cancer
cruk.org