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Ethnicity Pay Gap Report

2022

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CANCER
RESEARCH
UK

Together we will beat cancer

Introduction from Michelle

At Cancer Research UK we know that by becoming a diverse organisation, with people from different backgrounds and perspectives at all levels, paired with a culture of inclusion and a sense of belonging, we can be the best charity we can be and make the greatest progress in beating cancer together. Setting ambitious targets will support our aims and our ethnicity pay gap is an important measure for us to evaluate our progress.

Ethnicity pay reporting is not the same as the requirement to pay all staff equally for equal work. We're confident we pay people of all ethnicities equally for doing like-for-like work.

We're pleased to once again publish our ethnicity pay gap report. Whilst this is not a legal requirement, we've been publishing our ethnicity pay gap report since 2020. We welcome the opportunity to share our progress and are working hard to ensure we are a truly diverse organisation. We're pleased that our mean and median ethnicity pay gap figures have reduced this year. Our mean (average) ethnicity pay gap has narrowed from -9.3% in 2021 to -5.9% in 2022. This means that staff from an ethnic minority background are paid on average more than white employees. Our median (middle) ethnicity pay gap has narrowed from -32.0% in 2021 to -23.3% in 2022.

We're disappointed that since our last report, the proportion of ethnic minority staff across CRUK has decreased from 13% to 12%, when looking at those who have disclosed their ethnicity. However, since the snapshot date, we have seen further improvements and at the end of December 2022 the proportion of ethnic minority staff had increased to 13.5%.

18% of people living in the UK are from an ethnic minority and therefore our workforce is less ethnically diverse than the UK as a whole. The ethnic diversity of UK regions can vary significantly, and around one fifth of our employees currently live in London, where 46.2% of people are from an ethnic minority. We also know that we have fewer colleagues from an ethnic minority background in our retail roles and that many of our shops are located in areas that are not very ethnically diverse. Retail roles make up more than half of our organisation and tend to be lower paid when we compare them against the rest of our charity. Overall, this means that our ethnicity pay gap data and reports show a limited set of indicators and might not tell the full story.

We know that we are making progress against our Equality, Diversity and Inclusion aims, but recognise we still have more to do to improve the diversity of our team at Cancer Research UK. We published our first cross-organisational Equality, Diversity and Inclusion



strategy in January 2021 which outlines the steps we will take to make positive change in this important area. It is only by setting ourselves ambitious targets that we will become the best charity that we can be, a leader in diversity and inclusion, and make the greatest progress in our collective fight against cancer.

Michelle Mitchell OBE

Chief Executive, Cancer Research UK

What are the measures and who is included?

The ethnicity pay gap is calculated by comparing the average pay of White employees and ethnic minority employees in an organisation, regardless of the roles they do. The same methodology as the gender pay gap has been used in the calculation of this data:

1. Mean ethnicity pay gap in hourly pay.
2. Median ethnicity pay gap in hourly pay.

When referring to ethnic minority employees, for the purpose of this report, this is specifically employees from non-White backgrounds.

The figures published in this report are from 5 April 2022. The calculations are based upon all eligible employees that have shared their ethnicity with us. This includes staff employed by Cancer Research UK and the National Cancer Research Institute. This does not include Cancer Research Technology as it is a separate entity.

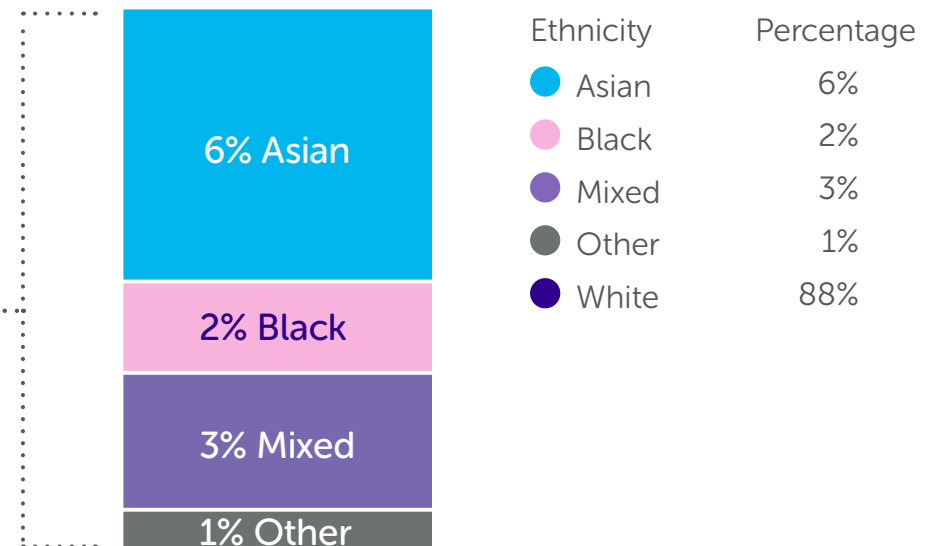
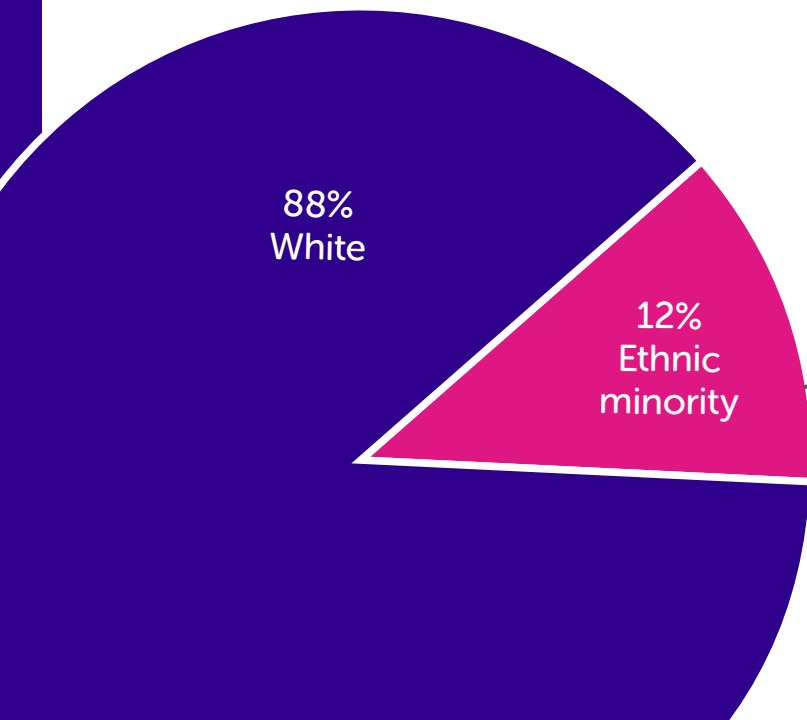
What is the ethnicity make up of staff at Cancer Research UK?

88% of all Cancer Research UK staff have disclosed their ethnicity data, and 12% of these are from an ethnic minority background.

Our aim is to increase the proportion of ethnic minority staff to 16% across the charity by 2023, recognising that we have a high proportion of our staff based in London which is much more ethnically diverse than the UK overall.

For context, the comparable ethnic minority population according to the last Office of National Statistics (ONS) 2021 Census, is 18% in the UK and 46% in London.

Cancer Research UK Ethnicity Data



Pay quartiles

Pay quartiles sort employees into four equal sized groups ('quartiles') from the lowest paid to the highest paid. The pay quartiles then show the proportion of White and ethnic minority employees in each, ranging from the lowest paid quarter to the highest paid quarter.

The number of ethnic minority employees is lowest in the lower pay quartile and highest in the upper mid quartile.

The proportion of ethnic minority staff in the upper middle quartile proportion remains unchanged since 2021. There has been a slight increase of ethnic minority staff in the lower quartile; and in the lower middle and upper quartile there has been a small reduction in the proportion of ethnic minority staff since 2021.

Headcount

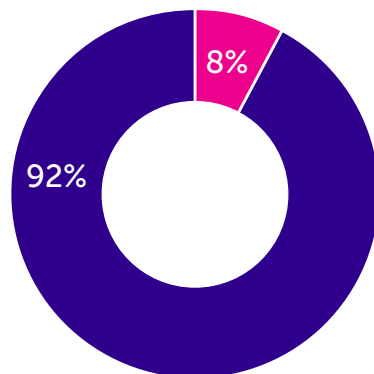


12% Ethnic minority

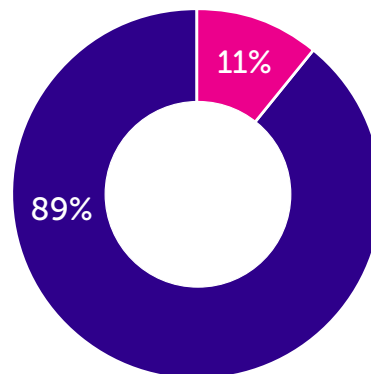


88% White

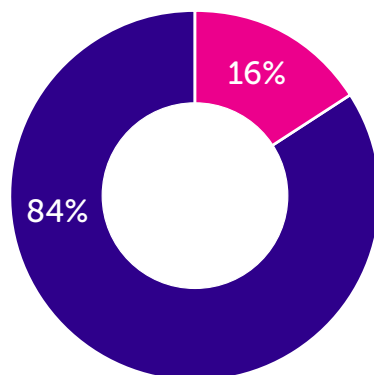
Lower quartile



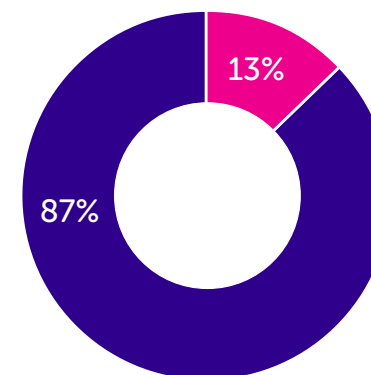
Lower mid quartile



Upper mid quartile



Upper quartile



Distribution by pay quartiles

Distribution by pay quartile	Lower quartile	Lower mid quartile	Upper mid quartile	Upper quartile
Ethnic minority	8%	11%	16%	13%
White	92%	89%	84%	87%

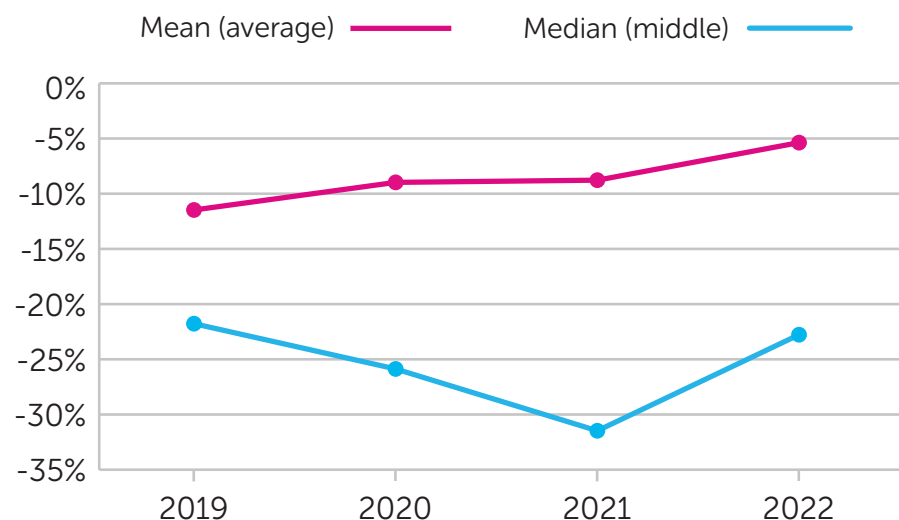


Ethnicity pay gap

Our mean (average) ethnicity pay gap has narrowed slightly in 2022 at -5.9% in favour of ethnic minority staff. This means that staff from an ethnic minority background are paid on average 5.9% more than their White colleagues.

Our median (middle) ethnicity pay gap has also narrowed in 2022 to -23.3% in favour of ethnic minority staff. The median shows the difference between the salaries of the middle-ranking ethnic minority and White employees.

The mean and median ethnicity pay gap by year



Ethnicity Pay Gap	Mean (average)	Median (middle)
2022	-5.9%	-23.3%
2021	-9.3%	-32.0%
2020	-9.5%	-26.4%
2019	-12.0%	-22.3%

IMPORTANT NOTE

It's important to note that although our ethnicity pay gap shows that the average pay of our ethnic minority staff is higher than that of our White employees, it is only one indicator. We have further work to do to improve inclusion and ethnic diversity.

What is causing the ethnicity pay gap?

Our ethnicity pay gap is in favour of ethnic minority staff. However, it is one indicator, and we are working hard to ensure we are a diverse and inclusive organisation.

There are a number of factors influencing our ethnicity pay gap: the low numbers of ethnic minority colleagues employed across all levels and roles in the charity, the lower proportion of ethnic minority colleagues employed in our retail stores, and the significantly higher proportion of ethnic minority colleagues in higher paid parts of the charity, primarily Technology.

A primary influencing factor on our ethnicity pay gap continues to be the shape of our organisation and the ethnicity split across it. In April 2022 there were 3573 employees across Cancer Research UK and over half of those work in our retail stores. Whilst our retail salaries are in line with the rest of the charity retail sector, this is an area where the rates of pay are lower than non-retail parts of the charity. 9% of employees in retail are from an ethnic minority, compared with 15% in non-retail operations. The ethnicity pay gap changes when excluding our retail operation to +10.6% (mean) and +5.8% (median). A key driver of this gap is the low proportion

of ethnic minority colleagues in our management and leadership grades, outside of our retail operations.

We have 600 retail stores across the UK and in Jersey and Guernsey and we're working to increase ethnic diversity in the charity, including in our shops. 2021 census data shows that ethnic diversity is vastly different across the UK. For example, London is the most ethnically diverse region in England and Wales with 63% of residents from an ethnic minority background. In comparison, only 9% of residents in the North East of England are from an ethnic minority background [1].

We know that as we fulfil our ambitions to diversify our workforce and have more ethnic minority staff at all levels of the charity, we will see changes with our ethnicity pay gap. We set ethnicity targets in 2018 and are disappointed not to have made more progress to increase the ethnic diversity of our workforce, but are confident the actions we have set out in our Equality, Diversity and Inclusion (EDI) strategy 2021-2023 will help us to increase our ethnic diversity and reduce our ethnicity pay gap.

[1] <https://www.ons.gov.uk/>



What are we doing to increase ethnic diversity and inclusion?

1. EDI Strategy

At the beginning of 2021, we published our first organisation-wide Equality, Diversity and Inclusion strategy and ambitious action plan. The strategy includes two key strategic priorities that will help us make progress in our ethnicity pay gap: to build an inclusive and diverse culture for all our people – staff and volunteers – to succeed and feel like they belong, and to improve diversity across our governance, advisory and leadership structures.

We have had a target since late 2018 to ensure at least 12% of our leadership roles (top 3 grades) are held by people from ethnic minorities. We are disappointed that progress has been slower than we'd have liked in this area, with our data showing that, as of the end of Q2 22/23, only 4.7% of staff in our top three grades were from ethnic minorities. We will continue to implement the action plan in our EDI strategy to ensure we make progress in this area.

To support the implementation of our EDI strategy, we currently have nine Employee Networks, two of which were launched in 2021, and EDI Champions in all directorates.

2. Talent programmes

In April last year we launched Ignite - our new talent programme for staff from ethnic minority backgrounds with the ambition to move into a leadership role, to help accelerate their career at CRUK. After eight months, our first cohort completed the programme in December, and we've had excellent feedback from the participants and their sponsors. In addition to this, 2022 saw us support the first Black in Cancer Conference and launch the first Black PHD Scholarship Programme to improve ethnic minority career progression in the wider community.



What are we doing to increase ethnic diversity and inclusion?

3. Inclusive recruitment and selection process

We use anonymised applications for recruitment at all levels to remove bias from the shortlisting process. Wherever possible, we ensure diversity in interview panels and decision making processes and, when using external recruitment agencies, we request diverse shortlists. We review the progression rates of applicants from ethnic minorities through each stage of the recruitment process every quarter, sharing the data with leadership teams to identify and act on any trends which suggest bias may be occurring. We launched a new online inclusive recruitment learning plan for hiring managers in 2022 and we're enhancing this with additional classroom based training which will launch in 2023.

4. Networks

Our Staff Networks play an important part of creating an inclusive culture at CRUK and in 2022 our Race Equality and Equity Network held several successful events and campaigns throughout the year. The Network has also played a key role in helping us to understand the experiences of ethnic minority colleagues at CRUK including through participating in listening sessions with our CEO.

5. Let's Talk About Race Workshops

Throughout 22/23 we have delivered 'Let's Talk About Race' workshops internally to around 200 people across 14 teams to increase understanding of issues impacting staff from ethnic minorities, both in the workplace and society, and to improve the confidence of White staff in talking about race in the workplace.

Statement

I confirm that the information and data provided is accurate.



Michelle Mitchell
Chief Executive Officer

