



Gender Pay Gap Report 2022



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 gender pay gap is an important measure for us to evaluate progress.

Gender pay reporting is not the same as the requirement to pay males and females equal pay for equal work. We're confident we pay males and females equally for doing like-for-like work.

Our mean and median gender pay gap figures have reduced this year. Our mean (average) gender pay gap reduced from 19.7% in 2021 to 18.3% in 2022, and our median (middle) gender pay gap has reduced from 30.9% in 2021 to 27.6% in 2022. This means that on average, our female colleagues are paid 18.3% less than their male colleagues.



We're pleased that our 2022 results show some improvement and we hope this trend will continue. Our gender pay gap worsened during the Covid-19 pandemic, primarily due to changes made to our structure and the number of people we employ. Our gender pay gap remains driven by the overall shape and distribution of males and females across the charity, which hasn't changed much since last year. Retail colleagues in our shops make up more than half of our organisation, and retail is typically a lower paid sector. We employ far more females than males in our shops, meaning that overall the average hourly rate for females across the organisation is lower than it is for males.

Our gender pay gap remains higher than we want it to be, and because it is driven largely by our overall gender mix, reducing it will take time. Following the publication of this report we will continue to explore and further interrogate the data, engaging with staff so we fully understand the reasons for the gap. This will enable us to identify key drivers in specific areas where we could potentially make more targeted interventions, to help reduce our pay gap at a faster pace.

Michelle Mitchell OBE

Chief Executive, Cancer Research UK

What are the measures and who is included?

The gender pay gap legislation introduced in April 2017 requires UK employers with 250 employees or more to publish data about their gender pay gap on 5 April each year.

The legislation requires employers to report the following information:

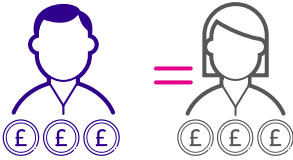



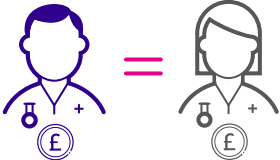

- 1. Mean gender pay gap in hourly pay.
- 2. Median gender pay gap in hourly pay.
- 3. Mean bonus gender pay gap.
- 4. Median bonus gender pay gap.
- 5. Proportion of male and female employees in each pay quartile.
- 6. Proportion of male and female employees receiving a bonus payment.

The data in this report reflects 5 April 2022, and organisations must publish within a year of that date.

The mean is all the male or female salaries added up and then divided by the total number of males or females in the organisation, and shows the difference between the average hourly salary of our female and male colleagues. The median is the middle salary value when you line them up in order from highest to lowest, and shows the difference between the salaries of the middle-ranking male and female employees.

Differences between equal pay and the gender pay gap

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

Equal pay	Gender pay gap
Being paid the same for like/similar work.	The difference in average pay between all male and female employees regardless of the work they perform.
	
	
	

Gender identity and the gender pay gap

Although government reporting regulations require all staff to be categorised as 'male' or female' for the purpose of calculating our gender pay gap, we know that sex is more complex than simply 'male' and 'female', and gender is more than 'men' and 'women'. We recognise there are many people who do not belong to these binary categories, for example non-binary or intersex people.

The data used for the calculation comes from Her Majesty's Revenue and Customs (HMRC) records, which we acknowledge won't have an accurate record of gender for many trans and non-binary people.

While we use the term 'gender' throughout this report, we understand that, for some people, the data used will be in relation to their sex but not their gender.

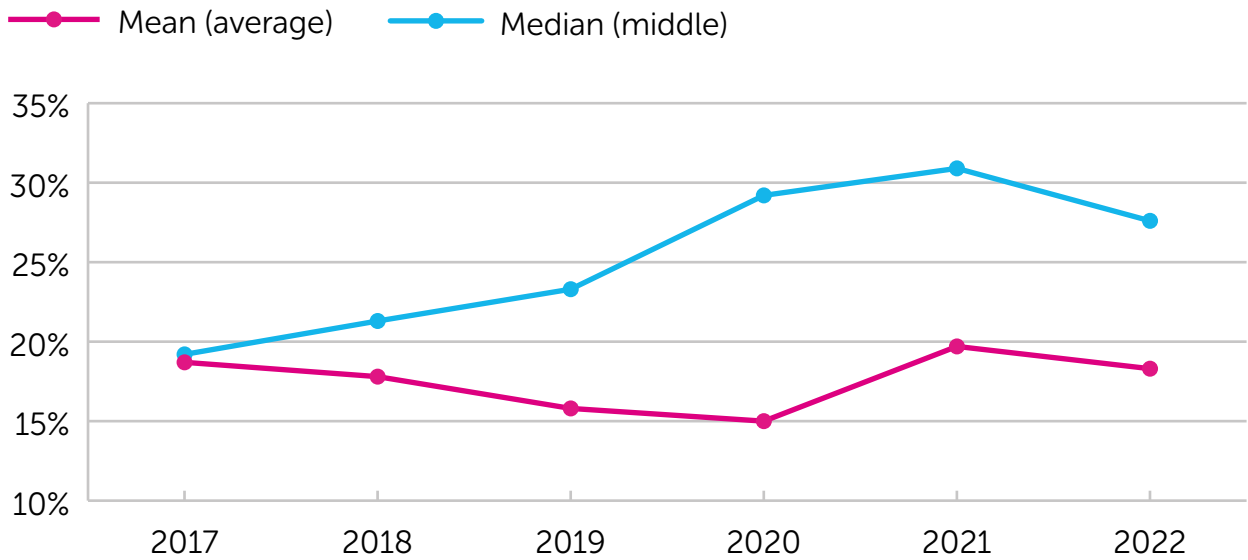
At Cancer Research UK, we're committed to equality, diversity and inclusion in everything we do. We've taken steps to create an inclusive workplace for trans, non-binary and intersex staff and will continue to build on this.

What is the gender pay gap at Cancer Research UK?

The figures published in this report are from 5 April 2022, based on 3573 employees. We are required to report our legal entities with over 250 employees, which means that we are reporting all the eligible employees of Cancer Research UK and the National Cancer Research Institute, and we are excluding Cancer Research Technology as a separate entity.

The chart below shows that in 2022 our mean and median gender pay gaps have decreased. This is the first time the median pay gap has decreased since we began reporting.

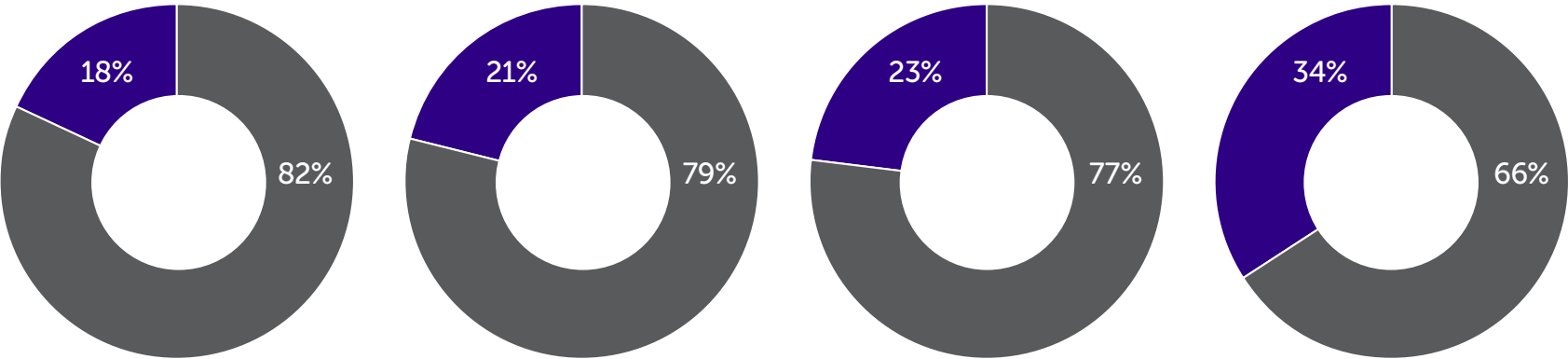
Gender pay gap	Mean (average)	Median (middle)
2022	▼ 18.3%	▼ 27.6%
2021	19.7%	30.9%
2020	15.0%	29.2%
2019	15.8%	23.3%
2018	17.8%	21.3%
2017	18.7%	19.2%



Proportion of employees in each pay quartile

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 male and female employees in each, ranging from the lowest paid quarter to the highest paid quarter.

OVERALL GENDER SPLIT



		Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
Male	●	18%	21%	23%	34%
Female	●	82%	79%	77%	66%

What has changed with our gender pay gap since 2021?

Our mean and median gender pay gap figures have reduced this year. Our mean (average) gender pay gap reduced from 19.7% in 2021 to 18.3% in 2022, and our median (middle) gender pay gap has reduced from 30.9% in 2021 to 27.6% in 2022.

We were disappointed that our gender pay gap worsened during 2021 as a result of the pandemic. We're pleased that our 2022 results show some improvement, and we hope that this trend will continue.

Our gender pay gap continues to be driven by the overall shape of and distribution of male and female staff across the charity, which hasn't changed much since last year. Retail colleagues in our shops make up more than half of our organisation, and we know that retail is typically a lower paid sector. We employ far more females than males in our shops. Overall this means that the average hourly rate for females across the organisation is lower than it is for males.

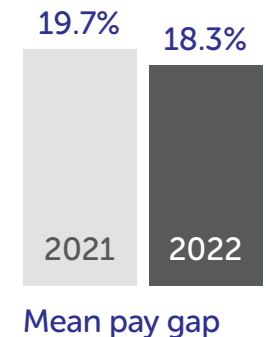
Why has our median (middle) pay gap decreased?

Although the overall shape of CRUK hasn't changed much since April 2021, there has been steady turnover and ongoing recruitment across the charity. Overall we've recruited more new employees than have left, and we've also recruited more females than males. Proportionally, we've recruited slightly more females into professional service roles which are typically paid in the upper middle quartile; and proportionally slightly more males into our shop roles which are typically paid in the lower quartile. These small variances have increased the median rate of pay for females and has overall slightly reduced our median pay gap.

Why has our mean (average) pay gap decreased?

The reduction in our mean gender pay gap is largely a result of the increase to the National Living Wage (NLW). On 1st April 2022, the NLW increased by 6.6%, from £8.91 to £9.50 per hour. The NLW directly impacts how much we pay staff in our shops, where we employ significantly more females than males (81% of shop staff are female).

As in previous years, the NLW increased in 2022 by more than pay for other roles, not just at CRUK but across the UK workforce. Although we employ more females than males in all of our staff grades, the impact of the NLW driving higher increases to pay for our shop roles, where the proportion of female staff is greater, has had the effect of increasing the mean rate of pay for females more than it increased for males; and has overall slightly reduced our mean gender pay gap.



Bonuses at Cancer Research UK

We don't pay bonuses, but our peer-to-peer recognition scheme 'Our Heroes', long service awards, and a very small number of one off training and recognition payments meet the bonus reporting requirements.

In 2022, we spent less than 0.05% of our total salary bill on payments that are classed as bonuses. 283 employees received one of these payments and of these, 94% were made through our peer-to-peer recognition scheme 'Our Heroes'. These £20 vouchers are a way for colleagues to say thank you to each other and recognise each other's hard work.

A very small number of higher value recognition payments made outside of this scheme is driving the mean bonus gap in favour of males this year.

Bonus pay gap	Mean (average) bonus pay gap	Median (middle) bonus pay gap	Proportion of staff receiving a bonus
2022	17.6%	0%	Male: 8.6% Female: 7.8%
2021	-26.9%	0%	Male: 5.5% Female: 5.6%
2020	5.8%	0.8%	Male: 27.8% Female: 30.5%
2019	4.0%	2.5%	Male: 25.1% Female: 29.5%
2018	30.9%	18.8%	Male: 20.4% Female: 26.4%
2017	20.1%	18.8%	Male: 13.9% Female: 19.6%



What are we doing to narrow the gap?

There is some valuable activity taking place across CRUK in support of female colleagues. However we know that if we want to make meaningful change to our gender pay gap, this will happen slowly if we continue with our current approach. Following the publication of this report we will continue to explore and interrogate our data in more detail, engaging with colleagues across the charity so that we fully understand the reasons for the gap. This will enable us to identify key drivers in specific areas where we could potentially make more targeted interventions, to help reduce our pay gap at a faster pace. Activity currently underway includes:



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 gender 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 half of our leadership roles (executive director and director) are held by females. While we were on track with this at the snapshot date, having appointed a female Chief Operating Officer to our Board in late April 2021, this slipped to 47% by the end of Q3 (22/23). We will continue to implement the action plan in our EDI strategy to ensure we maintain 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.

1. 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 male and female applicants 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.

3. Developing female talent

In 2021 we doubled our investment in high potential future executives and supported two female directors to complete the Forward institute fellowship programme on responsible leadership. We also continued to participate in the WING cross-organisational mentoring programme which is exclusively for high potential female leaders.

4. Networks

Our Networks play a key role in creating an inclusive environment for all staff. This year the Gender Equality Network held a panel discussion and launched a successful mentoring campaign for International Women's Day. In September they also launched a blog series on health conditions that predominantly impact females. Our Parent and Carers Network have also held some successful events including, most recently, a workshop focused on career progression for parents.

Last year our Inclusion and Wellbeing Team worked with our staff networks to develop a suite of guidance topics such as menopause, menstruation, fertility and baby loss to help support staff and managers in the workplace. We are also pleased to have seen the launch of our new menopause support group 'The M Word' off the back of this work.

5. More detailed reporting

Following the publication of this report we commit to exploring and interrogating the data in more detail and engaging with staff so we fully understand the reasons for the gap. This will enable us to identify key drivers in specific areas where we could potentially make more targeted interventions, to help reduce our pay gap at a faster pace. We also intend to produce and publish our 2023 pay gaps earlier in the reporting year.



Statement

I confirm that the information and data provided is accurate.

A handwritten signature in black ink, reading "M. Mitchell", written over a dotted line.

Michelle Mitchell
Chief Executive Officer