

Gender pay gap report 2023

A word from Michelle

At Cancer Research UK, we exist to beat cancer. And we can only do this by working together. We're committed to becoming a more inclusive and diverse charity. By welcoming people from different backgrounds and perspectives at all levels and fostering a culture of inclusion, we believe we can make the greatest progress for people with cancer and their loved ones.

Gender pay gap reporting is not the same as the requirement to pay male and female staff equal pay for equal work. We're confident we do that. Gender pay gap reporting shows the difference in average pay between male and female employees, and it reflects a combination of internal and external factors.

In 2023, our gender pay gap reduced again. Our mean (average) gender pay gap reduced from 18.3% in 2022 to 16.7% in 2023, and our median (middle) gender pay gap reduced from 27.6% in 2022 to 21.1% in 2023.

Our gender pay gap remains higher than we want it to be, largely because we have a predominately female workforce in lower paid roles. However, our 2023 results show another year of improvement, and we continue to meet our target of at

least 50% of our leadership roles held by female staff.

This year, as well as reporting on our overall pay gap, we've also provided the mean and median figures for our retail staff, who work in our shops or as drivers, compared with our non-retail staff. Market conditions and pay for our retail staff and non-retail staff differ and understanding these differences is important in understanding our overall gender pay gap. Our gender pay gap results in retail are encouraging.

Going forward, we'll continue to ensure that our staff are paid equal pay for equal work and seek to maintain our target of 50% of leadership roles held by female staff. We'll also monitor our data carefully and engage with staff across the charity to identify opportunities for action that might further reduce our gender pay gap where appropriate.

We're making good progress against our Equality, Diversity and Inclusion (EDI) objectives, which we published in 2021. But there's more to do. We're currently evaluating our progress and performance and will publish a refreshed EDI strategy in 2024.



Michelle Mitchell OBE
Chief Executive, Cancer Research UK

What's the difference between equal pay and the gender pay gap?

Equal pay isn't the same as the gender pay gap. Equal pay means paying male and female staff the same for like-for-like work and it has been a legal requirement for nearly 50 years. We're confident that we do this. The gender pay gap is a comparison between average hourly rates of pay for male and female staff, and it reflects a combination of internal and external factors.

Equal pay and the impact of the distribution of male and female staff on the gender pay gap calculation

■ Male
■ Female

Highest paid grades



Middle paid grades

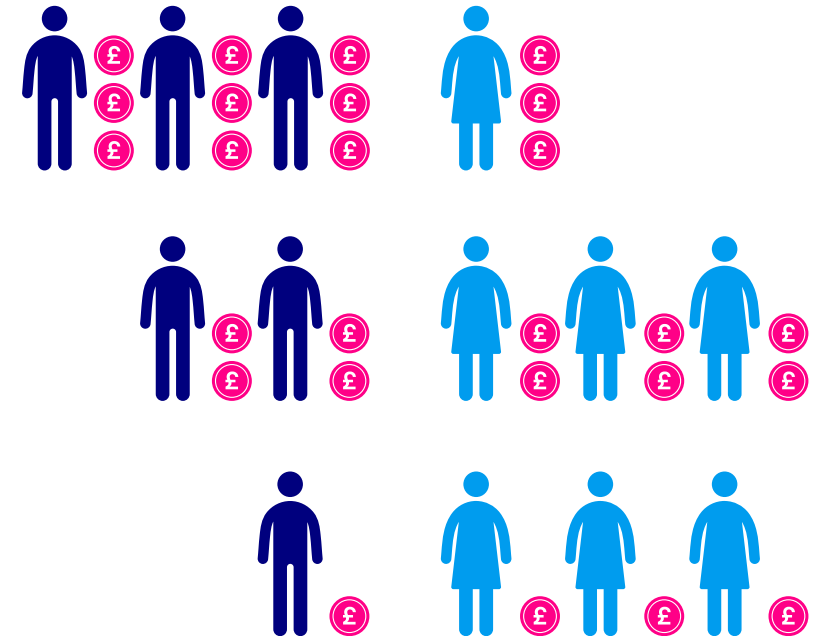


Lowest paid grades



Equal pay

Being paid the same for like/similar work.



Gender pay gap

The difference in average pay between all men and women regardless of the work they perform.

What are the measures and who is included?

Gender pay gap legislation was introduced in April 2017. It requires UK employers with 250 employees or more to publish data about their gender pay gap on 5 April each year, including the:

- mean gender pay gap in hourly pay
- median gender pay gap in hourly pay
- mean bonus gender pay gap
- median bonus gender pay gap
- proportion of male and female employees in each pay quartile
- proportion of male and female employees receiving a bonus payment

The figures published in this report are from 5 April 2023, based on 3,774 employees. Our figures include staff who were working at the National Cancer Research Institute at that time, as they were employed by the legal entity that is Cancer Research UK.

We're required to calculate and report the gender pay gap separately for any legal entities with more than 250 employees. Cancer Research Horizons, which is a private limited company wholly owned by Cancer Research UK, met the reporting threshold for the first time in 2023. They've produced their own gender and ethnicity pay gap reports which can be found on the [Cancer Research Horizons website](#).



How do we calculate the gender pay gap?

Mean (average) gender pay gap: To calculate the mean hourly pay for female staff, the hourly pay for all female staff is added together and divided by the total number of female staff. The same is done for male staff. The mean gender pay gap is the difference (shown as a percentage) between the mean hourly pay for female and male staff.

Median (middle) gender pay gap: If all female employees were lined up in order of their hourly pay, and so were all male employees, the median would be the hourly rate of pay of the individual female and male employee in the middle of each line. The median gender pay gap is the difference (shown as a percentage) between the hourly pay of the middle female employee compared to the middle male employee.

Gender identity and the gender pay gap

While we use the term ‘gender pay gap’ throughout this report, we understand that, for some people, the data used will be in relation to their sex but not their gender. Also, the data used for the calculations comes from HM Revenue & Customs records, meaning all staff are categorised as either ‘male’ or ‘female’ for the purpose of calculating our gender pay gap. We acknowledge this means people who are intersex, trans or non-binary will be reported in line with their legal sex in our data and this may not be the same as their gender identity. For this report, we’ve chosen to use ‘male’ and ‘female’ rather than ‘man’ and ‘woman’.

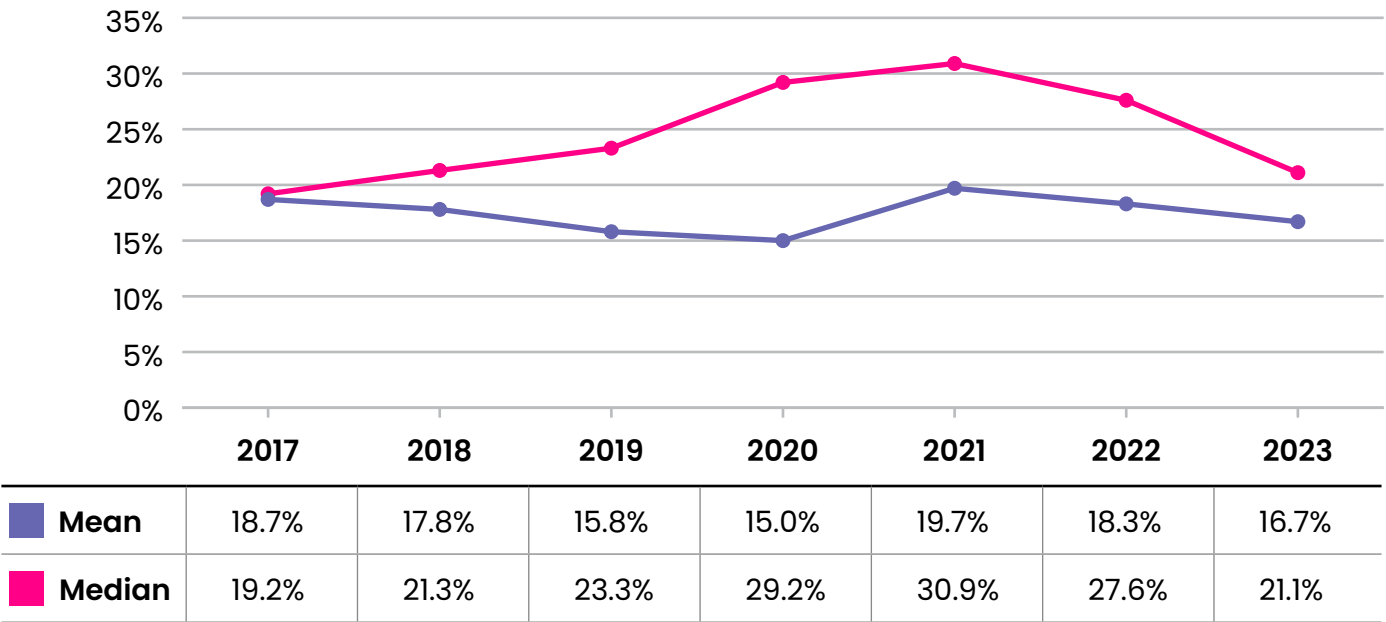
What is the gender pay gap at Cancer Research UK?

Our data shows that in 2023, our mean and median gender pay gaps decreased across all of Cancer Research UK.

Our mean (average) gender pay gap narrowed slightly to 16.7% in favour of male staff. This means that male staff are paid on average 16.7% more than their female colleagues.

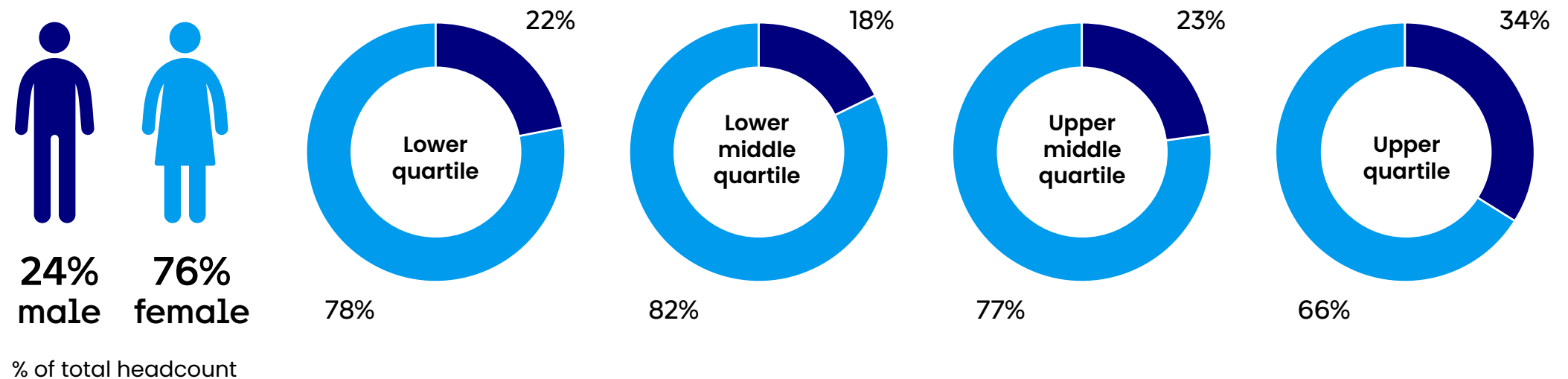
Our median (middle) gender pay gap narrowed to 21.1% in favour of male staff. This means that the salaries of middle-ranking male staff are 21.1% higher than the salaries of middle-ranking female staff. This is the lowest our median gender pay gap has been since 2017.

Mean and median gender pay gap



Proportion of employees in each pay quartile

We create 'pay quartiles' by organising employees into a list from the lowest paid to the highest paid, then dividing the list into four equal sized groups, or quartiles. We then look at the proportion of male and female employees in each quartile.



	Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
Male	22%	18%	23%	34%
Female	78%	82%	77%	66%

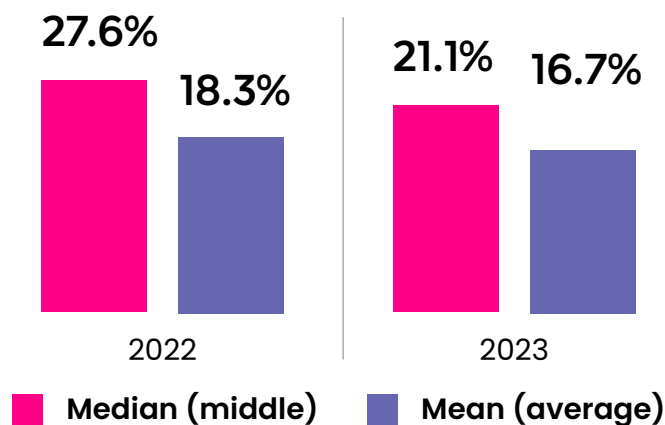
How and why has our gender pay gap changed since 2022?

What has changed since 2022?

Our mean and median gender pay gap figures reduced again in 2023. Our mean (average) gender pay gap reduced from 18.3% in 2022 to 16.7% in 2023, and our median (middle) gender pay gap reduced from 27.6% in 2022 to 21.1% in 2023.

This represents a second year of improvement following an increase in our gender pay gap in 2021, which was a result of changes we made to our structure and the number of people we employed following the COVID-19 pandemic.

Gender pay gap



Why has our mean (average) pay gap decreased?

The reduction in our mean gender pay gap is largely a result of the action we've taken on pay during the reporting period for 2023. On 1 June 2022, we applied a 3.5% pay increase to eligible staff as part of our Annual Salary Review. And on 1 April 2023, the National Living Wage increased by 9.7%, from £9.50 to £10.42 per hour. This represents a significantly greater percentage increase than our Annual Salary Review increase for other roles at Cancer Research UK and across the UK workforce in general.

We employ more female staff than male in non-Director grades, and the National Living Wage directly impacts our lowest rates of pay where we employ significantly more female staff than male. The 2023 National Living Wage increase resulted in a higher percentage increase to our lowest rate of pay. This means that the mean rate of pay increased more for female staff than for male staff, which slightly reduced our overall mean gender pay gap.

Why has our median (middle) pay gap decreased?

The overall composition of our staff hasn't changed significantly since 2022. Overall, we recruited more people in 2023 than we saw leave the charity. And we recruited more female staff than male.

In terms of pay quartiles, we employed slightly more male staff in our lower pay quartile (+4 percentage points compared with 2022) and slightly more female staff in our lower-middle pay quartile (+3 percentage points compared with 2022).

These small variances increased the median rate of pay for female staff more than for male staff, which slightly reduced our median pay gap.

What about our shops?

When considering pay, our staff can broadly be thought of as two groups: people who work in retail (our shops and drivers) and people who don't. The market factors that influence pay in these two groups are different, and exploring this is key to fully understanding our gender pay gap. So this year, we're also reporting our mean and median figures for retail compared to non-retail staff.

For our retail staff, the mean gender pay gap is -0.8% in favour of female staff and the median gender pay gap is -1.9% in favour of female staff. For non-retail staff, the mean gender pay gap is 13.0% in favour of male staff and the median gender pay gap is 12.2% in favour of male staff.



	Mean (average) gender pay gap	Median (middle) gender pay gap
Cancer Research UK overall	16.7%	21.1%
Retail staff	-0.8%	-1.9%
Non-retail staff	13.0%	12.2%

What's causing our gender pay gap among non-retail staff?

Why is there a smaller gender pay gap among our retail staff?

Our mean and median pay gaps among our retail staff are very small and in favour of female staff, who account for 80% of our retail workforce. The nature of retail means that many people have similar roles. Like many charity retailers, we manage pay for retail staff in line with a framework that recognises this similarity in roles, as well as the external market for retail roles, which is narrow compared to the rest of the charity. This means that a lot of our retail roles are paid within narrow ranges, meaning there is little variance in pay between roles.

What's driving the gender pay gap among our non-retail staff?

Among our non-retail staff, our gender pay gap is driven by the overall distribution of male and female employees. Overall, we employ more people in lower paid roles than higher paid roles, and we employ more female than male staff: 71% of our non-retail workforce is female.

There's more diversity between job roles among our non-retail staff compared to our

retail staff, which means that the pay ranges are broader to reflect these differences and the markets that we operate in. In some high-paid functions, such as technology and some senior management grades, we employ proportionately more male staff than female, compared to our overall gender distribution, which impacts our gender pay gap. For example, for our leadership roles (executive director and director) the split is exactly 50%.

We're confident that we pay male and female staff equally for doing like-for-like work. The greater variance in pay available to non-retail roles and the differences we see in gender distribution in some functions and grades, together with our overall gender distribution, drives the gender pay gap for our non-retail staff in favour of male staff.

Bonuses at Cancer Research UK

We don't pay bonuses, but our peer-to-peer recognition scheme 'A little thank you', our Unsung Heroes event, our long service awards and a very small number of one-off training and recognition payments meet the requirements for reporting bonuses.

In 2023, we spent 0.06% of our total salary bill on payments that are classed as bonuses. In total, 549 employees received a payment and of these, 64% were made through our peer-to-peer recognition scheme 'A little thank you', where colleagues can give each other a £20 retail voucher in recognition of exceptionally hard work or effort.

We also made a very small number of higher value recognition payments outside of this scheme, which means the mean bonus gap for 2023 is in favour of female staff.

Bonus pay gap	Mean (average) bonus pay gap	Median (middle) bonus pay gap	% of staff receiving a bonus	
2023	-24.9%	37.5%	12.5% male	11.0% female
2022	17.6%	0%	8.6% male	7.8% female
2021	-26.9%	0%	5.5% male	5.6% female
2020	5.8%	0.8%	27.8% male	30.5% female
2019	4.0%	2.5%	25.1% male	29.5% female
2018	30.9%	18.8%	20.4% male	26.4% female
2017	20.1%	18.8%	13.9% male	19.6% female



What are we doing to narrow the gender pay gap?

We're confident we pay everyone equally for doing like-for-like work. And as a large charity with a wide range of different roles and skills, we aim to reward all our people fairly and as competitively as we can based on the external market, while balancing our need to continue to fund our research.

Our grading framework and pay guidelines are applied consistently at all stages of the employee lifecycle to ensure that pay is set fairly for similar roles across the charity. We also have appropriate checks in place to make sure this remains consistent, and we look at things like average pay increases by key demographics, such as male and female, when we undertake any large-scale pay changes.

We're doing good work to support our female staff across the charity and have achieved our target of 50% of leadership roles being held by female staff. After the publication of this report, we'll continue to explore our data in more detail and engage with colleagues across the charity. This will help us to identify specific areas where we could take more targeted action to help reduce our pay gap at a faster pace.

Some of the work we're delivering includes:

Implementing our Equality, Diversity and Inclusion (EDI) strategy 2021–2023

There are two priorities in our EDI strategy that are relevant to our gender pay gap. One is to build an inclusive and diverse culture for all our people – staff and volunteers – to succeed and feel like they belong. And another is to improve diversity across our governance, advisory and leadership structures. We're currently evaluating our good progress and performance in both areas ahead of publishing our refreshed EDI strategy in 2024.

Since 2018, we've been working on a target to see at least 50% of our leadership roles (executive director and director) held by female staff. As of 31 December 2023, we're meeting this target.



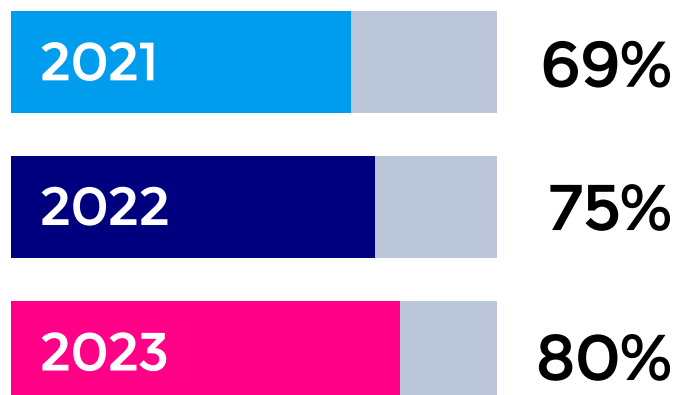
Improving inclusion

We measure our staff's perception of inclusion through our employee experience survey, using three questions that together make up our inclusion and wellbeing measure.

Over the past three years, we've seen consistent improvement in this measure. In April 2022, our inclusion and wellbeing measure was 75% (up from 69% in the previous survey in 2021).

This increased again to 79% in our pulse survey in early 2023 and then to 80% in our full survey in October 2023, which for the first time exceeded our external benchmark (made up of large and small public, private and charity organisations).

Inclusion and wellbeing measure



In 2023, our internal Valuing Difference campaign was shortlisted in the 'Best EDI Campaign' category for the Institute of Internal Communications awards. The campaign aims to raise awareness of a variety of EDI topics to help change behaviour and demonstrate our commitment to inclusion. In 2023, the content included regular events and activity led by our Staff Networks, such as a series of bitesize learning videos on a wide range of topics and a series of blog posts from teams across Cancer Research UK demonstrating how they value difference through the work they do. It's positive to see the engagement with this content from staff across the charity.

Ensuring inclusive recruitment

We use anonymised applications for recruitment at all levels to remove bias from the shortlisting process. And wherever possible, we aim for diversity in interview panels and decision-making processes. When we use external recruitment agencies, we also request diverse shortlists. And 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 that suggest bias.

In May 2023, we launched new online inclusive recruitment workshops for hiring managers, which builds on the inclusive

recruitment learning plan that we launched in 2022.

Developing female talent

In 2023, we continued to take part in the Women's Industry Networking Group's mentoring programme, which offers cross-sector mentoring and networking opportunities for senior, high-potential women. Among our staff, we had both mentors and mentees taking part in the programme.

We also had mentors and mentees involved in the Tessiant Mentoring Circle, which offers external mentoring opportunities and development and coaching events for women.

For the first time in November 2023, 207 of our employees took part in the UPFRONT Charity Bond – a confidence-building course for women and non-binary people.

Supporting our Staff Networks

We know that creating an inclusive culture that supports our female colleagues at various stages of their lives and careers will help to reduce our gender pay gap. Our networks play a key role in creating an inclusive environment for all staff.

To help create an inclusive environment for all staff and support the implementation of our EDI strategy, we currently have nine Staff Networks, including our Gender Equality Network.

In 2023, our Gender Equality Network ran several campaigns, including campaigns on gynaecological health and women's safety. They also joined with our Age Positive Network to support our menopause peer support group and held several joint events on the subject. We've also worked with the network to provide free period products across our offices, shops and labs.

In addition to our Gender Equality Network, our Parents and Carers Network and Fertility and Baby Loss Network also provide support on issues affecting many people across the charity. And we have Inclusion and Wellbeing Champions in all directorates.

Throughout 2023, we've invested more in our Staff Networks by providing training and development for our network chairs and ring-fencing time for them to undertake network activity.

Embracing flexible working

Flexibility in working arrangements is an important part of supporting many female employees, especially those with caring responsibilities. We're seeing an increase in flexible working requests every year, and between April 2022 and December 2023 we approved more than 550 requests, of which 80% were for female staff. We're seeing an increase in flexible working requests approved year on year, with the number of approvals between April 2023 and December 2023 exceeding the total for the whole of 2022/23.

Gathering more data

We'll continue interrogating our data and engaging with staff to identify areas where we could make more targeted interventions. We also intend to produce and publish our 2024 pay gaps earlier in the reporting year.

Statement

I confirm that the information and data provided is accurate.



Michelle Mitchell OBE

Chief Executive
Cancer Research UK





Cancer Research UK is a registered charity in England and Wales (1089464), Scotland (SC041666), the Isle of Man (1103) and Jersey (247).



Together we are
beating cancer