



# Royal Society of Chemistry's Gender Pay Gap 2020



## Introduction from the Interim CEO



In 2020 – a year defined largely by the coronavirus pandemic – our gender pay gap once again saw a minor reduction, with our mean pay gap reaching 13.4%, the lowest since we began reporting in 2017. While this is a broadly positive indicator, it masks a range of other stories that all have an impact on our pay gap.

We are first and foremost committed to equality of opportunities for every employee. This means we have not and will not take direct discriminatory action to close the gap.

Unfortunately, the pandemic has exacerbated many of the inequalities of wider society. Women took on the majority of the extra caring responsibilities brought about by the various regional and national lockdowns and school closures – widening the opportunity gap further for working women.

As an employer we offered enhanced flexible working to all our employees, and we have been responsive to changing restriction regimes with the primary aim of supporting the wellbeing of our staff and wider community.

Against this backdrop we are pleased to see our overall gender pay gap reduced. Having commissioned an internal audit by a diversity consultancy, we are also pleased to be stepping up formalised staff engagement in inclusion and diversity issues. We are lucky to have a workforce so driven, generous and passionate about inclusion and diversity of all kinds.

Many challenges lie ahead, even as COVID-19 vaccines are rolled out across the world. Inequalities of all kinds – due to gender, race, identity, disability, socioeconomic factors and many more – have worsened throughout the pandemic. We have plenty of work to do to mitigate their effects and ensure equality of opportunities for all.

A handwritten signature in black ink that reads "Helen Pain". The signature is fluid and cursive, written in a professional but personal style.

Dr Helen Pain CSci CChem FRSC

## Update on actions from our 2019 report

In our 2019 report, we said...	Actions taken in 2020
<p>[we remain] committed to being a fair and inclusive employer. This means we will continue to invest in policies like flexible working, even if they contribute to our pay gap.</p>	<p>We continued to promote flexible working and have seen an increase of 2% points of staff working part-time (2018-19 15%; 2020 17%).</p>
<p>[we will bring] in a consultant to work with our Human Resources team, identify areas where we can take positive action without discriminating against any group, and help us to draw up an action plan to make future reductions to our gender pay gap.</p>	<p>We commissioned the diversity consultancy EW Group to conduct an internal review of our organisation. The review did not make any recommendations specifically to address the gender pay gap, but did make range of recommendations of minor updates to equality policies and guidelines to modernise them.</p>
<p>[we will] explore how we can attract more men into our organisation in the lower and lower middle quartiles as well as looking at how we can attract or promote women into the upper middle and upper quartiles.</p>	<p>Following the shift in March 2020 of our more than 500 office-based employees to working from home full-time, our recruitment team had other pressing business-critical priorities and did not specifically investigate these issues.</p> <p>We asked EW Group to include recruitment practices in their audit.</p>

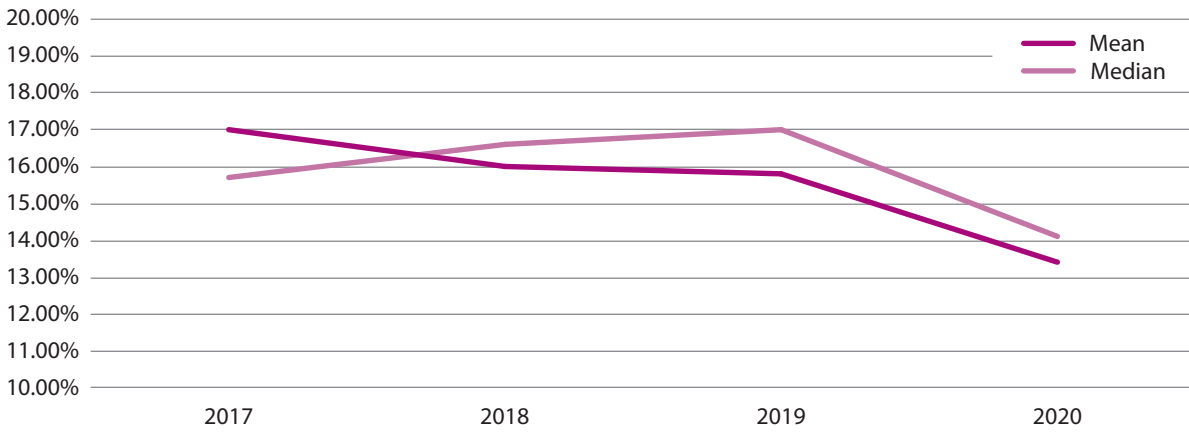
# Exploring our 2020 data

## Hourly gender pay gap, mean and median

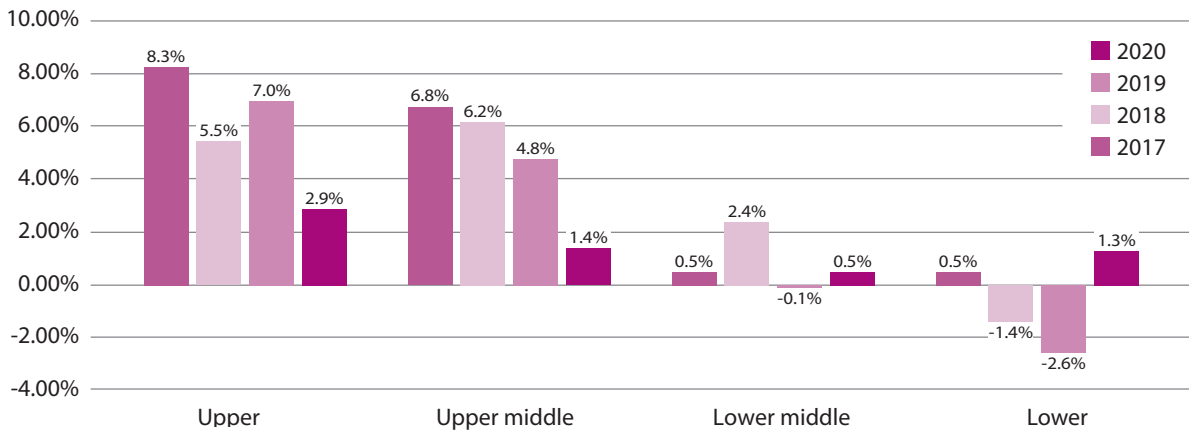
Our gender pay gap snapshot data was collected on 5 April 2020.

	2020	2019	2018	2017	+/- % point change 2019-20
Mean gender pay in hourly pay	13.4%	15.8%	16%	17%	-2.4
Median gender pay in hourly pay	14.1%	17%	16.6%	15.7%	-2.9

## Hourly gender pay gap, mean and median



## Median gap per quartile



The analysis by quartile shows some striking changes: the gap per quartile has narrowed in all but the lower middle quartile (which only sees a change of 0.6% points) and the largest gap, in the upper quartile, has more than halved compared with last year. The highest gap per quartile is now just 2.9%, in the upper quartile.

## Proportion of women and men in each pay quartile

% relevant employees	2020	2019	2018	2017
Women	66%	64%	65%	65%
Men	34%	36%	35%	35%

% relevant employees in upper quartile	2020	2019	2018	2017
Women	49.6%	46.3%	44.3%	47.8%
Men	50.4%	53.7%	55.7%	52.2%

% relevant employees in upper middle quartile	2020	2019	2018	2017
Women	67.6%	62.4%	68.0%	66.0%
Men	32.4%	37.6%	32.0%	34.0%

% relevant employees in lower middle quartile	2020	2019	2018	2017
Women	74.3%	72.5%	72.1%	70.8%
Men	25.7%	27.5%	27.9%	29.2%

% relevant employees in lower quartile	2020	2019	2018	2017
Women	73.3%	75.9%	73.8%	77.0%
Men	26.7%	24.1%	26.2%	23.0%

Although we have more women than men in our workforce, there are a greater proportion of men in the upper quartile compared with a greater proportion of women in the lower and lower middle pay quartiles.

The upper middle quartile is very closely matched to the overall proportion of women and men this year and the pay gap in this group has reduced significantly. This is the main factor in the reduction of the overall pay gap.

Gap to overall split	Upper	Upper middle	Lower middle	Lower
Women	-16.6%	1.4%	8.0%	7.1%
Men	16.6%	-1.4%	-8.0%	-7.1%
Median pay gap per quartile	2.9%	1.4%	0.5%	1.3%

It is clear from the above chart that the main cause of our pay gap is the higher proportion of men in the upper quartile coupled with this being the group with the largest median pay gap.

We continue to be confident that our gender pay gap is not an issue of unequal pay for similar work; after assessing our data we have found that at all levels men and women doing similar work continue to receive similar pay. The pay for each role is externally benchmarked, and we regularly review both our pay policies and the pay of each employee to ensure we offer equal pay for like work regardless of gender.

## Bonus gender pay gap, mean and median, and proportion of women and men receiving a bonus payment

	2020	2019	2018	2017	+/- % point change 2019-20
Mean gender bonus gap	24.53%	16.1%	30.3%	39.5%	8.43
Median gender bonus gap	10.6%	15.8%	25.8%	25.7%	-5.2

Proportion of employees paid a bonus, by gender	2020	2019	2018	2017	+/- % point change 2019-20
Women	87%	97%	87.9%	83.1%	-10
Men	92%	97%	83.2%	81.5%	-5

Our bonus pay gap is a function of the uneven representation of women and men in the various pay quartiles and among those who work part-time.

The majority of employee bonuses are calculated as a percentage of actual annual pay. Some employees earn target-driven bonuses, eg in sales, and some receive bonuses such as recognition awards and referral payments, which are lump sum payments.

The bonus pay gap is affected by factors, many of which are currently outside of our control. These include

- The higher proportion of men in the upper pay quartile, compared with the proportion of men in our organisation
- The swing in the mean gap has been caused by timing issues of when some of our bonuses were paid
- Almost all employees are paid a bonus unless they are within six months of their start date or are working their notice so proportions of staff receiving a bonus is mainly based on start and leave dates

## Our plans for the future

As in previous years, we remain committed to being a fair and inclusive employer. This means we will continue to invest in policies like flexible working, even if they contribute to our pay gap.

We have more women than men in our workforce and we would like to create better gender balance at all levels of the business. We will continue to explore how we can attract more men into our organisation in the lower and lower middle quartiles as well as looking at how we can attract or promote women into the upper middle and upper quartiles.

Following our assessment that we needed external guidance for evidence-based action, we included recruitment in an audit and review conducted by diversity consultancy EW Group. While they did not uncover specific actions to address our gender pay gap directly, they provided a range of recommendations for us to improve further our pursuit of equal opportunities for all employees.

Following the audit we will be exploring a number of actions to increase inclusivity and equality, including ending our recruitment referral bonus scheme, modernising the language in our various equality policies, and collecting better diversity data about our employees and candidates.

The report's main recommendation was to harness the enthusiasm and expertise of our existing staff by creating a structure and processes for staff engagement. Implementing this and the other recommendations will be our primary focus for 2021 – supporting our goal to provide the best possible employee experience for everyone.





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