

Royal Society of Chemistry's Gender Pay Gap 2023

Foreword from our Chief Executive



Thank you for choosing open our report on our gender pay gap in 2023. In addition to reporting what we must for legal compliance, we feel it is important to go further – hold ourselves to account not only to the minimum standards but to our own, higher standards for fairness and equality.

The Royal Society of Chemistry is, within the chemistry community, synonymous with the essential drive towards fairness and equality. Over my 30-year career with the organisation I am proud to have seen, been part of, and then driven, significant progress in gender equality. Examples include our landmark 2018 report *Breaking the Barriers*: our standards for inclusion and diversity in publishing, adopted industry-wide; and our ambitious inclusion and diversity strategy for the chemical sciences.

It is equally important to me to champion inclusion, diversity, fairness, respect and equality within the organisation I lead. We have enshrined this further into our culture in 2024, with the launch of a refreshed set of values that we live both inside the organisation and outside in the wider world. Co-created with colleagues and validated with our wider community, they will help us to face up to difficult choices and make the right decisions with confidence and integrity.

Our commitment to fair and equal pay is fully supported by these values.

I'm privileged to work with many talented women at senior levels in the Royal Society of Chemistry, both on our leadership team, more than half of whom are women, and with our amazing Trustees, of whom our current President, President-elect, and Honorary Treasurer and others are accomplished and inspiring women, leaders in their respective fields.

While these remarkable women and I lead this organisation, we also see women over-represented in lower-paying roles and under-represented at senior levels in some higher paying functions: this drives our gender pay gap. Our low staff turnover and commitment to fairness in pay means that there are few levers to directly address the gap in the short term.

We believe in fairness and equality of opportunity and support this through a wide variety of actions. We are building even more strongly on that in 2024, through our new inclusion and diversity strategy, strengthened training and support for recruiting, developing managers and enhanced support for our staff networks.

We will also use our thorough pay and grading review to further increase transparency, progression and to eliminate anomalous disparities.

Our gender pay gap is a measure that we diligently monitor – and we believe we are putting in place the appropriate proactive responses to address inequalities.

I'm confident that we are setting the right course for the RSC for 30 more years, and beyond: an approach rooted in our values, driven by data and evidence, and with fairness and equality at its heart.

The Royal Society of Chemistry is committed to diversity, equity, and inclusion across our organisation. As part of this commitment, we closely monitor our gender pay gap and implement initiatives to promote pay parity. This report outlines our 2023 UK gender pay gap analysis and progress.

Dr Helen Pain CSci CChem FRSC

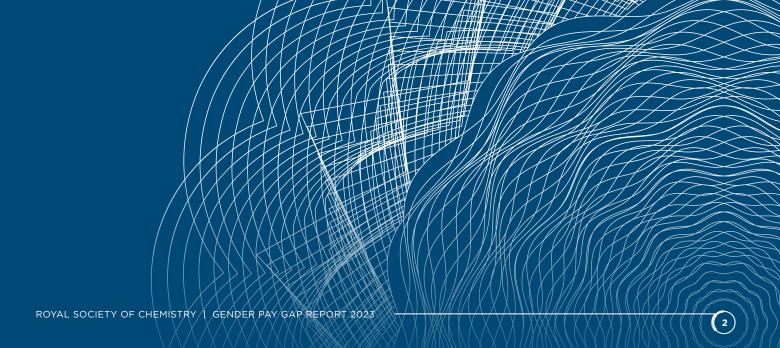
Helenfan

What is the gender pay gap?

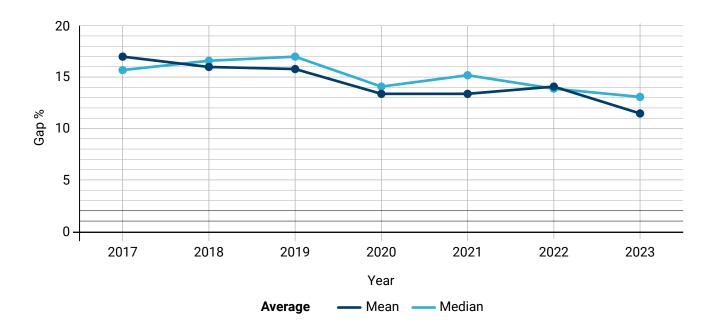
All organisations (public and private) in the UK with more than 250 employees are required to publish results on their gender pay gap each year based on a snapshot date of 5 April 2023. The gender pay gap shows the difference in the average earnings between all men and women in an organisation presented through various measures.

These measures include the mean gender pay gap (which is the difference between the mean hourly rate of pay of relevant male full-pay employees and that of female full-pay relevant employees), the median gender pay gap (which is the difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees) as well as measuring any gender bonus gap.

The gender pay gap should not be confused with equal pay, which is the legal requirement to pay equivalent rates for men and women who carry out the same jobs, similar jobs, or work of equal value.



Gender pay gap percentages over time



The mean hourly pay for each gender is calculated by adding all of each gender's hourly pay together and dividing each by the number of employees in each gender.

Then the gap is worked out by subtracting the mean female pay from the mean male pay, dividing it by the mean male pay and multiplying by 100%.

This reflects the total amounts paid to male and female employees and can be skewed by highly-paid individuals.

The median gender pay gap is calculated by ordering all the male employees from least-paid to most-paid and taking the one in the middle (the median), and ordering all the female employees from least-paid to most-paid and taking the one in the middle, and looking at the gap between how much the two medians are paid.

The RSC median hourly pay gap is 13.1%. This means that for every £1 the median male employee earns per hour, the median female employee earns 86.9p per hour. This has risen (the gap has shrunk) from 86.1p an hour in 2022 and 84.3p an hour in 2017.

In 2023, we saw declines in both our mean and median hourly pay gaps compared to 2022, indicating some progress towards pay equity. The mean pay gap dropped from 14.1% to 11.5%, while the median declined from 13.9% to 13.1%. The mean gap reduced more substantially, signalling a greater reduction in the gender pay gap for higher-paid than lower-paid employees overall, but the detailed picture is more complicated as we will see in later figures.

RSC hourly pay by gender: density (hourly pay >£50 not shown)

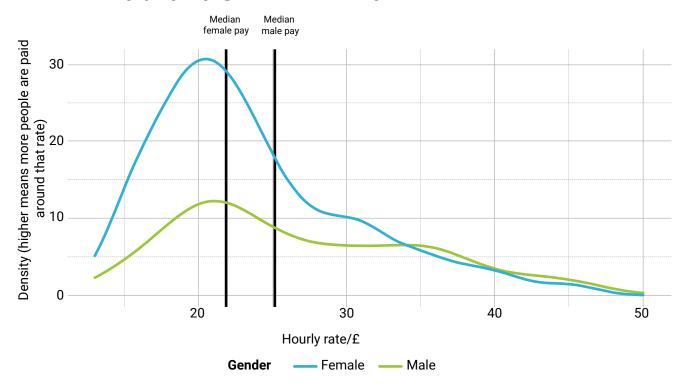
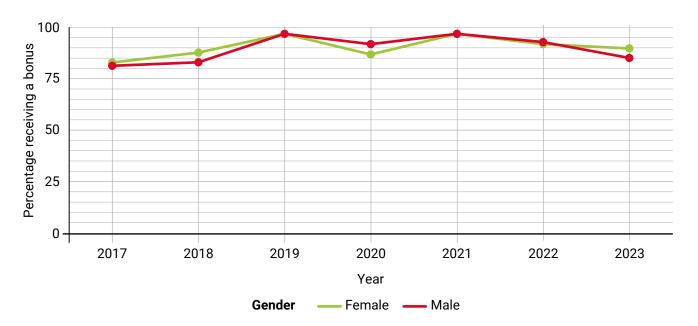


Table 1. Gender pay gap percentages over time

Year	Mean pay gap (%)	Median pay gap (%)
2017	17.0	15.7
2018	16.0	16.6
2019	15.8	17.0
2020	13.4	14.1
2021	13.4	15.2
2022	14.1	13.9
2023	11.5	13.1

Percentage of staff receiving a bonus



Bonuses include commission, recognition awards (individual and team Litmus¹ awards), long service awards, employee referral payments (until 2022), non-consolidated bonus, annual pay awards and other contractual bonuses.

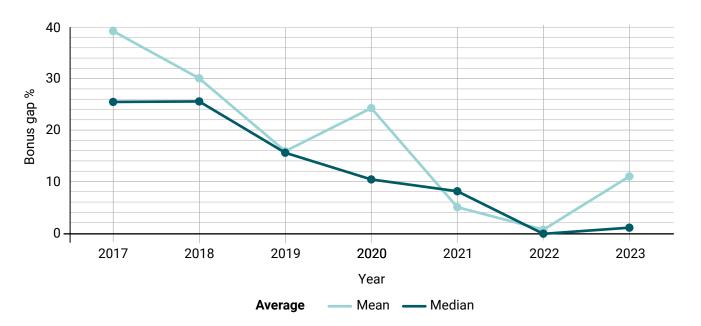
The percentage of both men and women receiving a bonus declined in 2023.

Table 2. Percentage of staff receiving a bonus

Year	Female	Male
2017	83.1	81.5
2018	87.9	83.2
2019	97.0	97.0
2020	87.0	92.0
2021	97.0	97.0
2022	92.0	93.0
2023	89.9	85.3

¹Litmus is the RSC's online employee recognition platform. Managers have the ability to award discretionary bonuses to employees through the platform.

Gender bonus gap percentages over time



The graph above shows that our mean and median bonus gaps also mostly trended downwards over time. From 2022 to 2023, the median bonus gap rose only slightly, but the mean gap increased to 11.2%.

The slight increase in the median bonus indicates that more bonuses were awarded overall, although the total value was lower than in 2022. However, the sharper rise in the mean bonus suggests that larger bonuses tended to be granted to men. A potential contributing factor may be our predominantly male sales team,

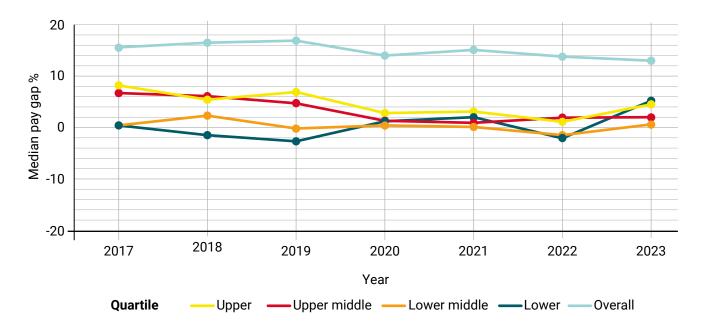
who receive target-based commission as part of their contractual agreement. In line with our commitment to fair pay, we will work towards carefully scrutinising recognition awards to ensure consistency between men and women.

It's important to note that the bonus pay gap is calculated based on actual payments received, with part-time workers' bonuses pro-rated. Since most of our part-time employees are women, pro-ration influences the bonus gap, although it does not have the same effect on the pay gap calculation, which is based on hourly rates.

Table 3. Gender bonus gap percentages over time

Year	Mean bonus gap (%)	Median bonus gap (%)
2017	39.5	25.7
2018	30.3	25.8
2019	16.1	15.8
2020	24.5	10.8
2021	5.2	8.3
2022	0.8	0.0
2023	11.2	1.2

Median pay gaps by quartile over time



When segmented into pay quartiles, our gender pay gaps (0.7 to 5.3%) are smaller than the overall pay gap because we are comparing people in similar roles, and we are committed to paying fairly.

For every £1 earned by a male employee per hour in 2023, a female employee in the lower quartile would earn 94.7p, in the lower middle quartile 99.3p, in the upper middle quartile 97.9p and in the upper quartile 95.4p.

These have changed from 2022 where the per quartile median female figures were £1.02, £1.01, 98.0p and 98.8p from lower to upper. This change is largely because of changes to the male/female split in each pay quartile.

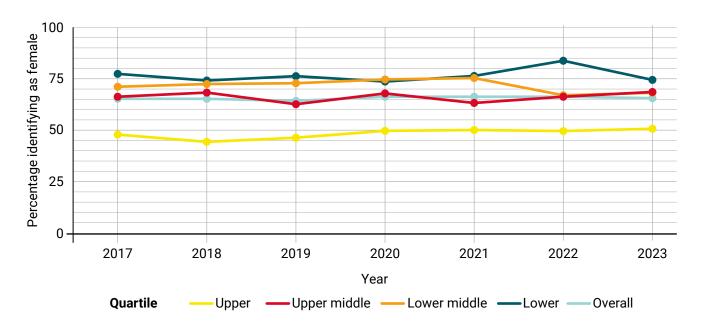
The narrow per-quartile pay gaps are driven by fair pay for similar work.

Our work on pay and grading in 2024 will help us to further identify and plan to address anomalies.

Table 4. Median pay gaps by quartile over time

Year	Upper quartile pay gap (%)	Upper middle quartile pay gap (%)	Lower middle quartile pay gap (%)	Lower quartile pay gap (%)	Overall pay gap (%)
2017	8.3	6.8	0.5	0.5	15.7
2018	5.5	6.2	2.4	-1.4	16.6
2019	7.0	4.8	-0.1	-2.6	17.0
2020	2.9	1.4	0.5	1.3	14.1
2021	3.2	1.0	0.2	2.1	15.2
2022	1.2	2.0	-1.4	-2.0	13.9
2023	4.6	2.1	0.7	5.3	13.1

Gender split by quartile over time



The overall gender split within the RSC's workforce has remained stable over the past seven years, with the workforce approximately two-thirds female. As the overall gender split is a decisive factor in our overall gender pay gap, the stability of the workforce over this period has limited our options to make a significant impact.

There are fewest women in the highest-paid quartile, at about 50%. There is most variation over time in the lowest-paid quartile, with a rise in the female percentage in 2022 and a fall back down in 2023.

Table 5. Gender split by quartile over time

Year	Upper (%)	Upper middle (%)	Lower middle (%)	Lower (%)	Overall (%)
2017	47.8	66.0	70.8	77.0	65.0
2018	44.3	68.0	72.1	73.8	65.0
2019	46.3	62.4	72.5	75.9	64.0
2020	49.6	67.6	74.3	73.3	66.0
2021	50.0	63.0	75.0	76.0	66.0
2022	49.5	66.0	66.7	83.3	66.0
2023	50.6	68.3	67.9	74.1	65.3

We're confident that we're continuing to enable fair pay at the Royal Society of Chemistry by...

Fostering an environment of inclusion, belonging and respect

Nurturing a diverse and inclusive workplace is a strategic priority for the RSC, and we want to make sure we get it right.

- We engaged Pearn Kandola, a consultancy with expertise in inclusion and diversity strategies, to provide an objective perspective and be trusted to gather anonymous feedback from colleagues across the organisation.
- Pearn Kandola previously collaborated with us on the external-facing I&D strategy. This as an opportunity to better align the internal and external I&D strategies, using data-driven recommendations, to foster a culture of belonging where all employees, and the wider chemistry community can thrive.
- The strategy is in development and will be ready to share with the wider organisation later in 2024.
 The strategy will include a list of actions with short, medium and long term timeframes.
- Differences in recognition awards usage across the organisation may have an effect on our gender bonus gap.

Promoting an inclusive approach to recruitment

- · Fostering a diverse and talented workforce remains a top priority. We are dedicated to cultivating inclusive and equitable recruitment practices that embrace individuals of all backgrounds and abilities. Our ongoing efforts include empowering hiring managers with comprehensive training on mitigating implicit biases, as well as providing guidelines for making reasonable adjustments during the recruitment process. Furthermore, we will roll out additional mandatory training later in 2024 focused on reasonable adjustments and the Disability Confident scheme. Through these initiatives, we aim to attract a broad pool of exceptional candidates and ensure our recruitment processes are fair and accommodating for all applicants.
- To further enhance our inclusive practices, we have developed a comprehensive reasonable adjustments guide specifically for candidates. This complementary resource aims to ensure applicants are well-informed about the various support options available to them throughout the recruitment process.
- We have worked with the Neurodivergent Equality & Diversity (NED) staff group to create a new training module for 2024 to support a better understanding of reasonable adjustments for supporting neurodivergent people.
- Our careers site demonstrates our dedication to creating an environment where employees feel comfortable bringing their authentic selves to work. Our adverts highlight our approach of hybrid and flexible work arrangements, while also showcasing the range of benefits we offer.
- We remain committed to inclusive recruitment practices, such as utilising gender-neutral language in job advertisements.
- We collaborate closely with our recruitment partners to ensure they embrace diversity and inclusivity in their approach, providing us with a diverse and gender-balanced pool of applicants.

Ensuring equitable and fair reward and pay

Fairness is at the core of our approach to pay. Through 2024 we will be making a number of changes to reinforce that approach and to make it even more transparent, progressive and equal.

- We are introducing a new grading structure that provides clarity and supports career progression within the RSC. This process will also highlight any anomalies in how men and women are paid.
- Through 2024 we will re-evaluate every role based in the UK and introduce a simplified grading structure based on the size and scope of a role.
- Salaries for all roles will be benchmarked using a recognised job evaluation system to those in a wide variety of other organisations, and starting salaries will be set according to market rate and potential contribution, determined by a range of factors including skills and experience.
- We will reintroduce performance-related pay in the 2024 Pay Review (which will take effect from January 2025). From this point, individual colleagues' consolidated pay increases each year will be based on the delivery of their agreed objectives, as well as market movement and affordability. We will have mechanisms in place to ensure that these reviews are conducted fairly and consistently.
- In 2024, we will start to review how discretionary recognition awards are used, to ensure that this is done fairly and consistently.

A focus on staff wellbeing

Our wellbeing initiatives ensure we have the right interventions and support in place to ensure colleagues feel safe and thrive at work.

- We have embraced and integrated a hybrid working model, supporting all staff to enjoy greater flexibility and a better work-life balance.
- We continue to promote flexible working, family friendly policies and our staff support networks, menopause support group and our trained Mental Health First Aiders.

Conclusion

We remain confident that we compensate women and men equitably for comparable roles: our gender pay gap does not reflect unequal pay for equal work.

While members of our leadership team are predominantly women, the primary driver of our gender pay gap is the overall higher proportion of men in the upper quartile of our workforce (49.4% men in the upper quartile, compared to 34.7% in the workforce as a whole).

Despite our efforts, we have not significantly shifted the gender composition across the quartiles in a way that would meaningfully impact the pay gap. Our low turnover rate (under 6%) means achieving substantial progress will take time.

Based on the data, the only way to significantly reduce the gender pay gap would be to actively aim to recruit more men into lower quartile roles and more women into higher quartile positions. However, we want to ensure that we hire the best candidate for each role through a fair and inclusive process. Limiting roles based on gender would directly contradict our strategic commitment to inclusivity and diversity, as well as violate employment laws prohibiting such discriminatory practices.

The data indicates that we are not impeding women from attaining senior or higher-paying roles – more than 50% of our leadership team is female, for example. The gender pay disparity appears to be a consequence of our workforce composition, which is predominantly female in the lower quartiles.

We remain committed to improving our gender pay gap, and recognise that meaningful change requires long-term commitment and accountability at all levels. Our broad range of actions to follow through on that commitment in 2024 includes:

- A colleague -informed and externally-validated inclusion and diversity strategy that reflects our values and our proud achievements in the area for the chemical sciences community
- Refreshed and enhanced training, guidance and resources for managers and candidates in our recruitment processes
- A thorough review of pay and grading that provides even greater transparency and decision-making, and will highlight anomalous disparities for us to address
- Enhanced support and engagement opportunities for staff networks

We remain dedicated to fostering a supportive, equitable workplace culture for all our colleagues, where they are able to thrive and have the opportunities to reach their full potential.



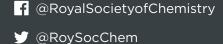
Thomas Graham House Science Park, Milton Road Cambridge CB4 OWF, UK T +44 (0)1223 420066

Burlington House Piccadilly, London W1J OBA, UK T +44 (0)20 7437 8656

International offices

Beijing, China Shanghai, China Berlin, Germany Bengaluru, India Tokyo, Japan Philadelphia, USA Washington, USA

www.rsc.org



@roysocchem

▶ @wwwRSCorg

in linkedin.com/company/roysocchem