





Introduction

For us to reach everyone that is diagnosed with cancer and show them how we can help them, it's essential that they feel seen, heard and understood - as individuals - by Macmillan, regardless of who they are, or their background.

And for us to have the most impact in the work we do across the organisation, it's essential that everyone - from our colleagues, our Professionals and our volunteers, to our supporters and the people we support - sees a part of themselves in Macmillan and that they can relate to us.

We're committed to making Macmillan more diverse and inclusive - and reducing our gender pay gap is an important part of this.

Reporting on gender pay helps us to keep track of the progress we're making and also understand how we can continue to do so. We started work on this report when the COVID-19 pandemic was at its first peak in April 2020 and the data covers the period between 5 April 2019 and 5 April 2020. During this period, I am pleased to see that as a result of natural progression, changes in the organisation and improvements we have made, our median gender pay gap has reduced by 5.83%, which means that we have more than halved the difference since our previous report, which we published in April 2020.

However, I know we can do more to reduce our gender pay gap further. Males are still paid 8.67% more than females at Macmillan and we need to change this.

In 2020, as an Executive Strategy Team, we introduced a sixth strategic objective for the organisation as a whole around becoming more diverse and inclusive, as well as making clear five commitments that will help us to bring about long-lasting change. These commitments will help to guide us through the changes we need to make internally which will help us to create a more inclusive workplace and be more representative of the people we're here to serve. This in turn will allow us to support more people with cancer, regardless of their sex, gender or any other characteristic.

This report further details the work we are doing to reduce our gender pay gap at Macmillan.

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Lynda Thomas, Chief Executive

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What is the gender pay gap and how is it calculated?

Organisations with more than 250 employees are legally required to report on their 'gender pay gap', or the difference in average earnings between males and females across the organisation, each year. It is worth noting that gender pay is not the same as equal pay, which deals with the pay differences between males and females who carry out the same jobs or work of equal value.

Organisations are required to publish their Gender Pay Gap in the following ways and the figures in this report are available on our website, as well as the Government website.

The mean pay gap: the difference between average hourly earnings of all males and females employed by Macmillan

- The median pay gap: the difference between the midpoints in the ranges of hourly earnings of all males and females employed by Macmillan
- The proportion of males and females in each pay quartile which is calculated by splitting the workforce into four equal-sized bands based on hourly pay, from highest to lowest. The percentage of males and females is then calculated for each band
- The pay gap between males and females for employees who receive bonus payments (Please note, at Macmillan we do not pay any bonus payments, so we do not report on this)

A note on language – sex and gender

Despite being called the Gender Pay Gap, this report is based on a binary definition of sex (which is assigned at birth - male and female) rather than gender (which is largely culturally determined and often expressed in terms of how people act, dress or behave - women and men). This is because the regulations require us to report in this way and categorise our employees as either male or female, as stated on their legal documents, such as the sex stated on their Passport.

However, as part of our ongoing commitment to actively supporting colleagues of all gender identities, we want to acknowledge that some individuals may not identify with either 'gender' mentioned in this report.

Our gender pay gap has decreased

This year, we've seen the biggest reduction in our gender pay gap since we started reporting in April 2017, which is very encouraging. This is largely down to more females progressing into more senior positions at Macmillan, either through workplace mobility or succession planning.

- We've seen an increase in females holding positions in senior management levels - the number of females in the upper quartile has increased by +7.4%, compared to our last report
- We've also seen a reduction in females holding positions in the most junior roles (lower quartile) by - 11.3%, compared to our last report

However, we do still have a gender pay gap and we know we have further work to do.

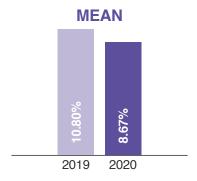
- Males are still paid +8.67% more per hour than their female counterparts
- Males still have an average salary that's +4.07% higher than their female counter parts

Read on to find out more about the action we have taken to address this in 2019 / 2020.

The Data

Figure 1. Mean

Our mean gender pay gap is the difference between the average hourly earnings of all female employees and all male employees.



In 2020 we saw a reduction of -2.13% compared to 2019, which means the average female earns £0.10 more per hour and the average male earns £0.43 less per hour, compared to our last report.

Figure 2. Median

2019

Our median gender pay gap number is the difference in pay between the middle-ranking female and male employees.



2020

MEDIAN

In 2020, we had a reduction of -5.83% compared to 2019, which means the middle-ranking female earns £0.28 more per hour and the middle-ranking male earns £1.05 less per hour, compared to our last report.

The results show that, as of 5 April 2020, 75% of our highest-paid employees were female and 25% were male. As a result of more females moving into senior leadership positions, we have seen a reduction of males in the upper quartile by -7.4% compared to 2019.

We continue to have more females in the lower quartile than males. However we have seen an increase of females in the lower middle and upper quartiles. We have also seen an increase of +11.2% of males in the lower quartile, compared to the 2019 report, which has helped to reduce the disparity.

In 2020, 34.9% of females received an increase in salary during this reporting period compared to 28.5% of males.

Figure 3. Our percentage of males and females in each pay quartile in 2019

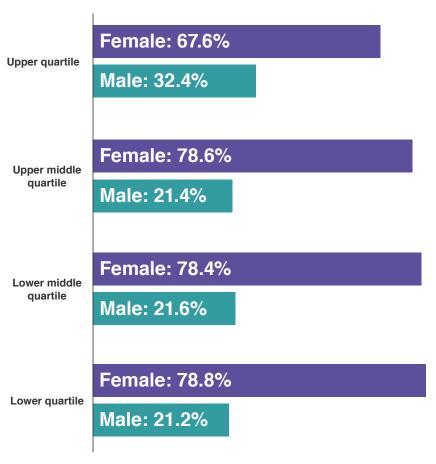
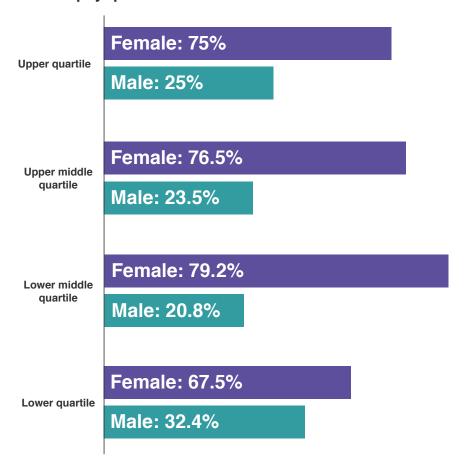


Figure 4. Our percentage of males and females in each pay quartile in 2020



How we're improving

Increased support for working families

We have started to monitor engagement levels for working parents, to understand where they may be struggling and having difficulties, so we can better support them at work. Through getting a better understanding of our makeup, we will be better placed to establish the needs of our colleagues and help make Macmillan a fairer and more inclusive employer.

We also became members of Working Families, a charity that gives organisations the tools, guides and policies they need to implement flexible and family-friendly business practices. Following this, we plan to take-part in Working Families Benchmarking in 2021, to allow us to work further on promoting a family-friendly and flexible workplace, to ensure that we can support working parents with what they need, and provide opportunities at all levels of the organisation, for everyone.

Diversity and inclusion training

We have continued our commitment to deliver equality, diversity and inclusion training and it is now mandatory for everyone working at Macmillan. We want to continually develop our training to ensure it is as effective and as supportive as possible, so we will be reviewing and developing the training further based on feedback from colleagues.

People change programmes

In 2019 we started a re-design of our organisation, to ensure that people with cancer are at the heart of everything we do. In this change programme we looked at every level, starting with our senior leadership team. The result of this programme is a leaner, more efficient structure that will be fit for the future. This programme has caused a shift in our senior leadership team with females in the upper quartile increasing by +7.4% compared to 2019.

Our aim is to increase the number of females holding senior leadership positions across Macmillan.





How we're improving - continued

Updating our Family Leave Policy

At the beginning of 2020 we made an addition to our Family Leave Policy to include additional support to any colleague experiencing a premature birth. Neonatal leave was added to our guidance and full pay is now given from the birth of an employee's baby up to the due date. Family leave will then commence the day after the due date, so that it does not impact the family leave period.

Introducing menopause awareness guidance for managers

We launched menopause awareness guidance for our line managers, so that our colleagues feel better supported. By creating guides we will equip our line managers to help make Macmillan a more open and transparent organisation.

Leadership development programme

We developed a mandatory development programme for all senior managers across the organisation, focusing around diversity, inclusion, resilience and wellbeing. This will help us to build strong foundations for the future and achieve our five clear commitments to making the organisation more diverse and inclusive.

Leadership development, diversity and inclusion progress

Embedded in our year-on-year progress is the continued focus on the important role our senior leaders play in creating an inclusive workplace. This work will continue throughout 2021 to further embed inclusion at Macmillan by providing them with regular insight into the diversity of their teams, including remuneration to ensure they proactively prioritise the actions that need to be taken.

How we're improving - continued

Virtual development for all employees

We have made our development offer for all employees entirely virtual. This shows our continued focus on development and progression, tailoring our offer to suit different working arrangements and ensuring our employees are able to learn when and where it suits them.

How we work

As a result of the coronavirus pandemic we evolved our ways of working, with all colleagues moving to remote, and often more flexible, working patterns. This has given us the opportunity to learn from this experience and embed greater flexible working throughout Macmillan. During the pandemic the importance of supporting our colleagues to manage the balance of their home and work life has become more apparent. Therefore we are working hard to embed new processes to ensure all colleagues are consistently discussing and receiving the support they require. This process and review of our ways of working will be completed in 2021.

Career development events

Through our informal learning offer, we asked colleagues to share their career history and discuss their personal development and career progression. We want to make sure that everyone gets the support they need to progress in their careers – and in the way they want.

Creating an onboarding offer for internal movers

We know at Macmillan that moving into a new role, no matter how long you have been with us, can be daunting. This year, we created an internal onboarding offer for current employees to support them in moving into their new role. We want to help make this change easy. This helps encourage employees to continue their progression at Macmillan, creating smooth transition during their time with us. Meaning they can feel more comfortable staying with Macmillan after a lifestyle change, emphasizing the importance, we place on career development.

Looking at diversity and inclusion more broadly

It is important that we reflect and represent the communities we serve as an employer and in everything we do to support people living with cancer. Since this data was created, we have hired a new Head of Diversity and Inclusion to continue to drive our diversity and inclusion agenda forwards. Decreasing the gender pay gap is one important element of our clear commitment to bringing about long-lasting change at Macmillan.

Click here to find out more about our five commitments to making Macmillan more diverse and inclusive.

How did we put this report together?

- The report uses a data snapshot taken on 5th April 2020.
- The total number of employees at the snapshot date was 2,037.
- The current analysis is based on 1,890 full-pay relevant employees.
- 137 individuals were excluded, as they were employees who were not in receipt of their normal pay, due to reasons such as being on unpaid or maternity leave.
- The data does not include volunteers or Macmillan professionals such as nurses, who are not employed by Macmillan, but by partners such as the NHS.
- Macmillan operates throughout the United Kingdom and has pay schemes that reflect national requirements, as well as additional market pressures in London and in specific areas of the organisation.

At Macmillan, we give people with cancer everything we've got. If you're diagnosed, your worries are our worries. We will move mountains to help you live life as fully as you can.

And we don't stop there. We're going all out to find ever better ways to help people with cancer, helping to bring forward the day when everyone gets life-transforming support from day one.

For information, support or just someone to talk to, call 0808 808 00 00 or visit macmillan.org.uk

