

2022 Exscientia UK Gender Pay Gap Report

April 2023



01. Introduction

At Exscientia we are committed to offering fair, equal, and unbiased recruitment, promotion, and reward mechanisms and an inclusive work environment. From attracting talent to Exscientia, to growing, developing, and retaining people once they have joined us. We will continue to focus on building programmes that ensure that everyone has an equal opportunity to progress. Although there is more to do, we have a number of initiatives planned and underway.



Professor Andrew Hopkins DPhil LLD FRSE
Founder, Chief Executive and Director

This is our first year of producing a gender pay gap report at Exscientia. The UK Government requires all UK companies with over 250 employees to publish a report every year sharing figures on:

- The mean and median UK gender pay gap
- The mean and median gender bonus gap
- The proportion of men and women receiving bonuses
- The proportion of men and women in each quartile of the pay structure



02. Understanding Our Calculations

All analysis is based on a 'snapshot' date of our pay on 5th April 2022. All Pay and Bonuses looked at for this analysis cover the full year leading up to the snapshot date (5th April 2021 – 5th April 2022).

Mean Pay:

The mean is calculated by adding up the total pay of employees and dividing by the total number of employees. This calculation is completed separately for males and females with the difference expressed as a percentage of males' earnings. As an example, a mean of 10% shows that females are paid 10% less than males when comparing the respective averages.

Median Pay:

The median is the middle number in a ranking of pay from lowest to highest. This calculation is completed separately for males and females with the difference expressed as a percentage of males' median. As an example, a median of 15% shows that females are paid 15% less than males when comparing the respective gender mid-points.

It's important to note that **gender pay is not equal pay.**

Gender Pay

- The gender pay gap shows the difference in earnings between male and female employees across the organisation.
- It highlights the gap between the mean and median earnings of males and females and does not consider employee levels or job types.
- Organisations with more males in senior posts and more females in junior posts will typically have a gender pay gap - where males are paid more than females.

VS

Equal Pay

- Equal pay is measured by comparing the pay for employees carrying out the same or similar work, or work of equal value, taking into account level and job type.
- Organisations may somewhat differentiate pay for similar work so long as the criteria do not discriminate based on factors such as gender, ethnicity, age, sexual orientation, or disability.
- These factors may include; individual performance, market premiums for specialist roles in high demand, and skillset/expertise required in the role.



03. UK Gender Pay & Bonus Gap Results

Our 2022 analysis shows that the overall difference between female and male hourly pay earnings is 22.2% (mean) and 16.9% (median) and the difference between bonus earnings is 38.5% (mean) and 30.7% (median).

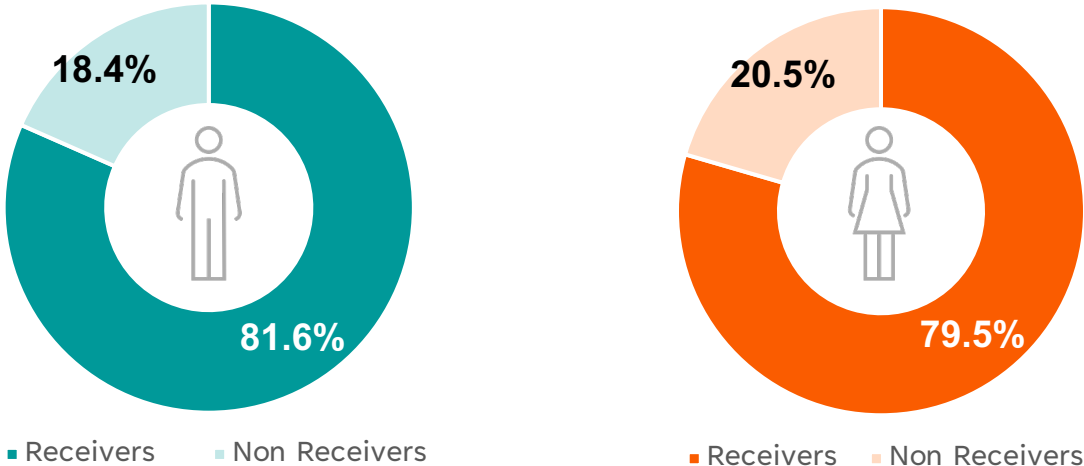
	MEAN	MEDIAN
HOURLY PAY GAP	22.2%	16.9%
BONUS PAY GAP	38.5%	30.7%

This is based on information as of 5th April 2022. At this date, Exscientia employed 295 full-pay relevant employees in the UK, of which the gender split was 63% males and 37% females.

Pay Quartile Positioning of All Males and Females



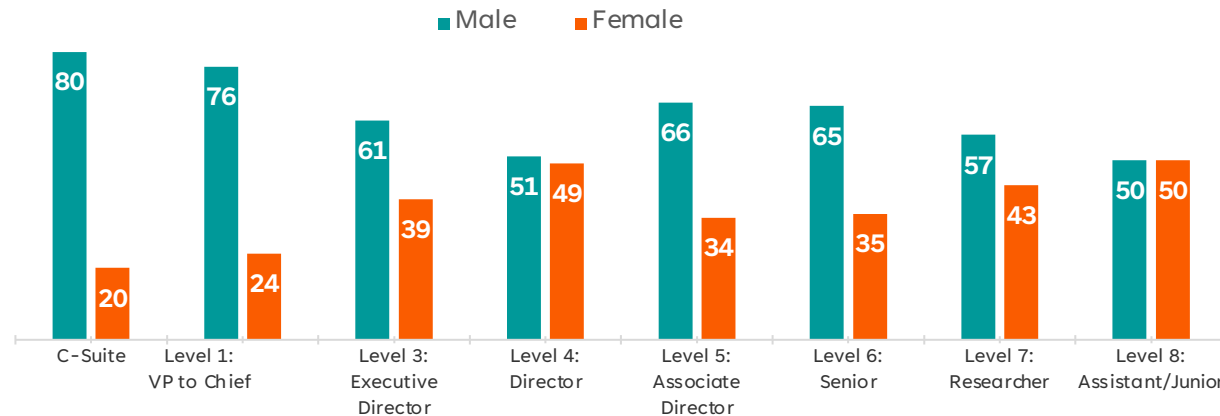
Percentage of Employees Receiving a Bonus



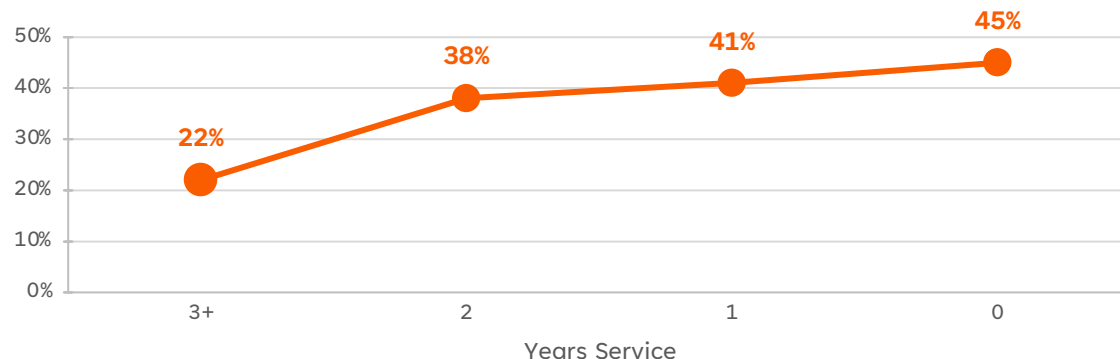
04. Why Do We Have Gender Pay Gap?

Overall, the results of the gender pay gap analysis show a gap in favour of male employees for our hourly pay calculations and our bonus gap calculations. There are several factors that we believe will be contributing to these results.

% of Men vs Women by Level (UK)



% of Female Employees by Service (UK)



Seniority: a higher proportion of our most senior positions are currently occupied by males whilst we also have a higher proportion of female employees in less senior roles. The chart (left/top) highlights the percentage of men vs women (UK based employees) by each level within the organisation.

Bonuses: When considering the results, it is clear that the timing of the calculations was the key driver behind this result. All employees at Exscientia are currently eligible to receive a bonus, and additional analysis has found that all employees who did not receive a bonus in this analysis were new joiners to the organisation and missed the bonus and/or one-off payment cut-off date due to their start dates.

It is therefore evident that these results do not reflect any difference in eligibility or bonus pay-out between males and females at Exscientia, where equality can be observed across the organisation. Additionally, the chart (left/bottom) shows we have been hiring more women as a percentage of the organisation. As women on average have fewer years of service at Exscientia on average, they have less of an equity pipeline and are more likely to have had prorated bonus payments in the year.

Note: Analysis of our data by consultancy firm AON confirms there is no statistically significant variance in salary between men and women at Exscientia when grade and function are factored in, meaning we have equal pay for equal work.



05. Actions We're Taking to Close the Gap

Whilst we all need to recognise that there are no 'quick fixes' to resolving our Gender Pay Gap, we are committed to building on our progress so far and to continuing to foster a diverse workforce both within and beyond Exscientia. There are several actions we have been taking as a business and we will continue to focus on them to help improve the diversity of our workforce which will impact factors such as our gender pay gap. These actions have been broadly categorised below:

Investing In Our Current and Future Talent

- When hiring we always strive to have a diverse selection of candidates across all vacancies. Since 2020 we have seen an improving gender ratio across the organisation.
- Ensuring we select a diverse panel of interviewers is a priority and the Talent Acquisition team hosts interview training which includes recognising bias.
- Research suggests women won't apply to a job advert unless they meet 100% of the job criteria. Therefore, we encourage managers to only advertise a maximum of six criteria points in our job adverts to attract a diverse pool of candidates. We also request hiring managers to check whether their job advert has subtle linguistic gender coding which can have a discouraging effect.
- As part of our new people strategy, we aim to ensure at least 50% of all vacant Executive Director and above roles are filled by women.
- We recently completed our first Talent Reviews and provided gender data for all elements of our talent review process including succession planning, promotions and spotlighting.

Equity, Diversity, and Inclusion Outreach

- Last year we launched our first EDI survey to understand how inclusive people feel our culture is, and whether this differs by demographic.
- We will be launching Employee Resource Groups across the organisation to inform and shape our strategy, led by employees and the People Team. The first to be set up will be Women at Exscientia.
- Creation of inclusive networks is encouraged at Exscientia and we plan to launch more throughout the year.
- We have previously partnered with OxWest - a mentorship program with the university of Oxford supporting women and non-binary students seeking STEM careers. Some of these mentor-mentee relationships still exist today.
- The Talent team currently volunteers with Stemettes. A non-profit organisation supporting girls, young women, and non-binary people into stem subjects or careers. Volunteering activities range from CV support to interview workshops.



Looking Ahead...

We need to play our part in encouraging girls to consider STEM (Science, Technology, Engineering, Mathematics) careers. Inspiring young women to work in STEM in our community will build a female talent pipeline for the long term. It's going to take some time for Exscientia and our peers to improve senior female representation. Bringing these issues to life through initiatives like UK gender pay gap reporting is important for making sure we continue to progress in the right direction.



Declaration:

I can confirm that our data has been calculated according to the regulations of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Professor Andrew Hopkins DPhil LLD FRSE

Founder, Chief Executive and Director

