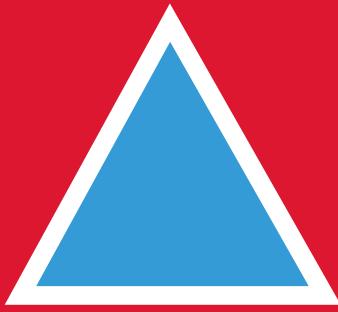


Gender pay
gap report
at 5 April 2017



SPRINGER NATURE

Background

UK businesses with more than 250 employees are required to publish information about the average pay of men and women in their organisation. The specific requirements of reporting are set out by the UK Government. All the results from reporting companies will be published on a UK Government website¹. All data in this report is as at 5 April 2017 for pay, and for the preceding 12 month period from 5 April 2017 for bonus data.



What is the gender pay gap?

The gender pay gap is the difference between the gross average hourly salary and bonus paid to all men in the company and the gross average hourly salary and bonus paid to all women in the company, irrespective of individual roles or seniority.

■ ‘Gender pay’ looks at the average salaries paid to men and women irrespective of their role or seniority.

Is gender pay the same as equal pay?

Gender pay statistics are not the same as equal pay statistics. The term ‘equal pay’ relates to whether men and women are paid equally for doing the same job. Whereas ‘gender pay’ looks at the average salaries paid to men and women irrespective of their role or seniority. While gender pay gap information provides a useful comparison of men and women’s earnings on average, it does not reveal the differences in rates of pay for comparable jobs, which are the subject of equal pay legislation.

¹ <http://gender-pay-gap.service.gov.uk/viewing/>

What's inside this report

Like other companies, we provide data in four areas:

- a The differences in mean and median pay between men and women, calculated on the basis of equivalent hourly pay rates.
- b The distribution of men and women between pay band quartiles – these are calculated from the full range of hourly pay rates for all employees.
- c The proportion of men and women receiving bonus pay in a year.
- d The differences in mean and median bonus pay between men and women.

Springer Nature in the UK is made up of four different legal entities. While we are only required to publish data from the largest legal entity – Macmillan Publishers Ltd – we have voluntarily chosen to publish the overall figures for Springer Nature in the UK and, for completeness, for those smaller business units below 250 employees which make up our UK organisation. The main body of this report summarises information for all of Springer Nature in the UK. The final page shows the data for each of the four legal entities.

In this report you will find:

- 1 Summary gender pay gap data for all of Springer Nature in the UK.
- 2 An analysis of the data.
- 3 A summary of actions we are taking.
- 4 The data broken down by all legal entities: Macmillan Publishers, BioMed Central, Springer Healthcare and Springer Verlag.



■ You can find out more about national reporting of statistics on gender pay from the Office of National Statistics².

² <https://www.ons.gov.uk/employmentandlabourmarket/peopleinworkearningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2017provisionaland2016revisedresults#average-earnings>

1 Summary gender pay gap data

For Springer Nature in the UK.
As at 5 April 2017 (all legal entities)

a) The differences in median and mean pay between men and women, calculated on the basis of equivalent hourly pay rates:

Springer Nature

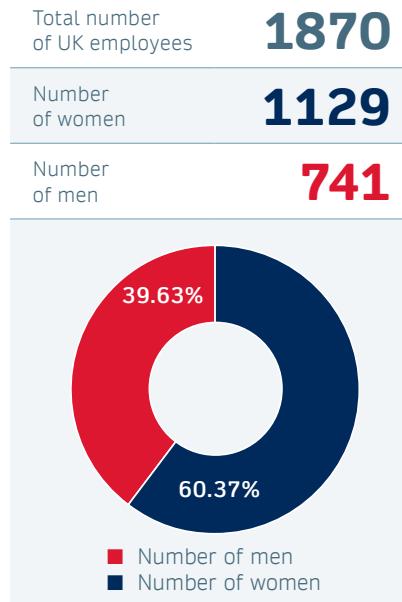
Median hourly pay difference between male and female employees	15.12%
Mean hourly pay difference between male and female employees	17.61%

At Springer Nature, median hourly pay difference between male and female employees is 15.12%. This compares with a national gender pay gap for all employees (for median earnings) of 18.4%³.

The mean hourly difference between male and female employees is 17.61%; the comparative national mean gender pay gap is 17.4%⁴.

The mean is the 'raw average' of all salaries whereas the median is the figure that falls in the middle of a range when all the figures are lined up from smallest to largest. As a small number of highly paid employees can skew the average data, the median is typically more representative.

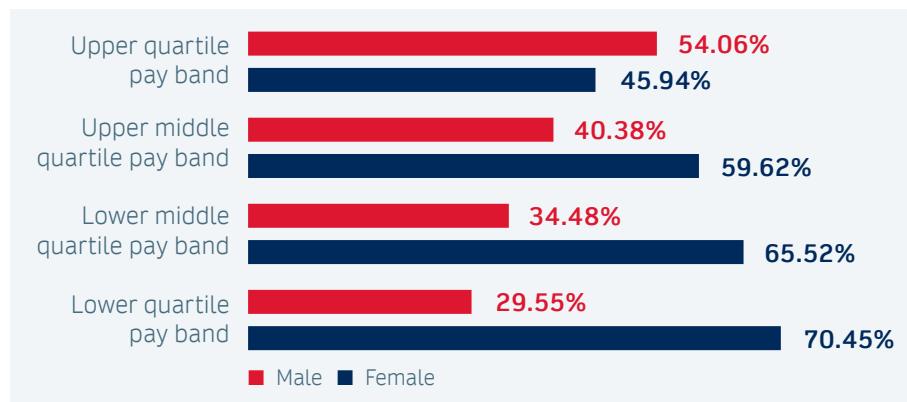
Context for Springer Nature in the UK



3 <http://www.equalpayportal.co.uk/statistics/>

4 <https://www.fawcettsociety.org.uk/news/fawcett-comments-on-new-ons-data-for-gender-pay-gap-in-britain>

b) The distribution of men and women between pay quartiles:



■ The proportions of men and women vary at different levels of seniority and salary level.

The quartiles information indicates that while around 60% of our total workforce in the UK is female, the proportions of men and women vary at different levels of seniority and salary level with men more highly represented in the highest paid group (which includes roles such as chief editors, directors and team leads) and women more highly represented at the middle and lower salary levels (which includes editors, assistant editors, customer service coordinators and administrative assistants).

c) The proportion of men and women receiving a bonus:

	Men	Women
Proportion of staff receiving a bonus	15.29%	22.62%

d) The differences in median and mean bonus pay between men and women:

Springer Nature

Median difference between male and female bonus payments	38.94%
Mean difference between male and female bonus payments	27.65%

The larger difference between bonus payments for men and women may relate to historic bonus plan differences in the different parts of Springer Nature, prior to the merger which created the company in its current form in 2015. These differences exist because, prior to the merger, some of the legacy companies paid bonuses as a percentage of salary and others as fixed amounts dependent on performance. This has created some inconsistencies in the bonus amounts and this is inter-related with the gender balance in the areas where a percentage of salary bonus arrangement existed. This is an area that we continue to investigate to fully understand and to ensure that policies and processes are fair, transparent and gender neutral.



2 Analysing the data

While Springer Nature has a smaller median gender pay gap than the national average for all employees, we want to understand the reasons it exists and the steps we can take to reduce it over time. We have spent time considering some of the external and internal factors that can lie behind gender pay gaps to understand if there are any systemic or other issues which are reflected in this gap. Our analysis has found that the main driver of the gap is the lower representation of women, in comparison with men, in the most highly paid roles, alongside a higher representation of women than men in middle and lower quartile level roles.

More than 60% of employees who work for Springer Nature in the UK are women, but in the higher quartile pay range the proportion falls to 45.94% and in the lower quartile pay range women are over-represented at 70.45%. In the lower quartile pay range, these are mostly entry level roles; this suggests that we have a pipeline of women in the company who, over time, we want to develop to fill leadership roles in the future.

6.63% of the UK workforce – or 124 people – worked part-time hours. Of these, 111 (almost 90%) were women and 13 were men. This group does not have a material impact on the pay gap. There are staff working part-time hours in all pay quartiles. This is reflective of flexible working practices which are intended to support different needs of our employees to balance home and work life.

■ Our analysis has found that the main driver of the gap is the lower representation of women, in comparison with men, in the most highly paid roles and a higher representation of women than men in middle and lower quartile level roles.

3 Taking action

Springer Nature has a smaller median gender pay gap than the national average, for this reporting period, however the data highlights that there is more we need to do to ensure that all women and men in our organisation have support to progress their careers and develop into senior roles if they choose to do so.

We have reviewed the data collected in detail, considered its implications and are using it to help inform our overall diversity and inclusion planning.

The most significant driver of the gender pay gap in our UK business relates to the smaller proportion of women in higher paid roles in comparison with men, and in comparison with the proportion of women in lower paid roles.

Springer Nature is committed to diversity and inclusion and we strive for a fair and representative gender balance at all levels of the organisation. We want to ensure our workplace provides the environment and opportunities for all our employees to develop, thrive and progress through the business, and that barriers to inclusion are removed.

■ We strive for a fair and representative gender balance at all levels of the organisation.

Diversity and inclusion strategy

During 2017 our supervisory board and management board committed to launching a new diversity and inclusion (D&I) strategy, with a focus on how we promote both gender and cultural diversity in all our global decision-making bodies and other influential groups.

A new global director of D&I has been recruited and has been tasked with identifying tangible plans to promote diversity and inclusion including addressing the need to promote greater gender diversity in senior leadership roles. This includes working to overcome unconscious bias, offering opportunities for mentoring and professional development as well as focusing on recruitment and promotion processes to increase diversity and the representation of women in leadership.

The director will work closely with a D&I council of senior leaders, chaired by our general counsel, and a D&I advisory group, supported by D&I advocates and employee resources groups (employees who volunteer to support a specific initiative) representing many areas of the company.



UK pay and benefit processes

As a result of producing information for this report, we have actively reviewed data about our UK annual pay review processes and have been assured that there is no evidence of gender disparities in the way annual reviews are conducted or in the way that salary increments are awarded. We are also reviewing criteria for UK participation in the Springer Nature Global bonus plan.

Like many other organisations, Springer Nature promotes a range of family friendly benefits including childcare vouchers and the new Government tax-free childcare scheme that provide ways for working parents to save on the cost of childcare. Flexible working policies aim to help employees to balance home and work life.



Other initiatives

Springer Nature is pleased to confirm it supports the Publishers' Association Inclusivity Action Plan and will be developing company-specific global diversity targets.

Springer Nature is a founder member of the FT 125 Women's Forum⁵. Each year ten female mid-career professionals from Springer Nature are selected to attend a series of forum events designed to help to develop and retain future leaders. Those who attend are encouraged to bring back valuable insights to share with colleagues within our business.

As an organisation our commitment is that we will continue to take action to understand the gender pay gap in our organisation better to make sure our policies and practices are fair and to consider new initiatives in line with our diversity and inclusion strategy and commitments.



⁵ <https://the125.ft.com/Women-s-Forum>

4 Data by legal entity

	Springer Nature UK (all entities)	Macmillan Publishers	BioMed Central	Springer Healthcare	Springer Verlag
Number of employees	1870	1375	206	125	164
Proportion of male/ female employees in the entity	39.63%/ 60.37%	38.47%/ 61.53%	27.67%/ 72.33%	42.40%/ 57.60%	62.20%/ 37.80%
Mean hourly pay difference between men and women	17.61%	17.96%	-11.07%	9.33%	10.92%
Median hourly pay difference between men and women	15.12%	12.93%	-3.57%	13.74%	14.30%
Proportion of men/women in lower pay band	29.55%/ 70.45%	29.15%/ 70.85%	31.37%/ 68.63%	40%/ 60%	47.5%/ 52.5%
Proportion of men/ women in lower middle pay band	34.48%/ 65.52%	34.01%/ 65.99%	26.92%/ 73.08%	34.38%/ 65.63%	65.85%/ 34.15%
Proportion of men/ women in upper middle pay band	40.38%/ 59.62%	39.07%/ 60.93%	30.77%/ 69.23%	41.94%/ 58.06%	58.54%/ 41.46%
Proportion of men/women in upper pay band	54.06%/ 45.94%	51.59%/ 48.41%	21.15%/ 78.85%	53.13%/ 46.88%	75.61%/ 24.39%
Proportion of men/women receiving a bonus	15.29%/ 22.62%	12.95% / 19.56%	15.05% / 33.98%	36% / 47.20%	19.51% / 15.24%
Mean difference between male/ female bonus	27.65%	29.55%	-22.27%	4.03%	15.92%
Median difference between male/ female bonus	38.94%	45.23%	0%	9%	-16.62%