



**MODERN  
SLAVERY ACT  
STATEMENT**

DECEMBER 2019

**SPRINGER NATURE GROUP**

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# MODERN SLAVERY ACT STATEMENT

*This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Springer Nature to assess the risk of and prevent Modern Slavery and human trafficking in its businesses and supply chains in 2019. It specifically identifies changes from the developments during the year 2019. For a more general overview of our programme see our 2016 statement.*

## OUR BUSINESS

Springer Nature is a leading research, educational and professional publisher, providing quality content to our communities through a range of innovative platforms, products and services.

### WE OPERATE ACROSS

**6** continents



### FROM MORE THAN

**150** offices and warehouses



### IN MORE THAN

**180** markets



### WE HAVE

**c.10,000** full time employees\*



\* Figures as at the end of 31 December 2019. Excludes around 3,400 colleagues from Scientific Publishing Services (SPS), a division that was sold to SPI Global in a transaction which closed on 31 December.

# 1/ SUPPLY CHAIN RISK

At Springer Nature we produce both printed and online educational/academic resources. In order to do this, we count on the support of suppliers across the globe, principally in the following core areas: production (including printing and typesetting services), editorial, information technology, marketing, travel, professional services and facilities.

In 2019 we purchased goods or services from more than 50,000 suppliers, with the majority of our spend being handled centrally. Offices outside our corporate

headquarters generally retain some purchasing responsibilities, such as local printing and logistics for our Education division, which is captured in our Group supply chain labour standards programme. In 2019 we sold our pre-publication services subsidiary in India. This will, however, continue to be part of Springer Nature's supply chain and as such will continue to be evaluated for the risks of modern slavery and human trafficking (as well as labour standards more broadly).



TELL ME MORE

**We evaluate the types of goods/ services we purchase in relation to modern slavery and human trafficking risks based on the following criteria:**

**1. The type of goods/services** – identifying those where modern slavery and human trafficking vulnerabilities have been reported to be more prevalent.

Examples include the provision of security personnel, catering and cleaning services, call centre and relevant staffing agency support, driving and certain logistics services, warehousing, maintenance and construction, direct manufacturing (including of toys/promotional items, CDs, USBs and paper), printing and pre-press providers.

**2. The countries these goods/ services are sourced from** – using slavery and trafficking risk indices to identify countries with a higher risk of modern slavery and human trafficking.

**3. The annual Group spend with these suppliers** – suppliers of these goods/services, with an annual spend of at least €100,000, as well as relevant in-house activities, are monitored at Group level. Where the annual spend threshold is not reached, local offices are encouraged to carry out monitoring activities locally.

In 2019 we identified a total of 177 suppliers in scope for active management and monitoring for modern slavery and human trafficking risks.

## 2/ POLICIES AND CONTRACTUAL COMMITMENTS, DUE DILIGENCE AND AUDITS

### POLICIES AND CONTRACTUAL COMMITMENTS

Springer Nature's [Code of Conduct](#) and [Business Partner Code of Conduct](#) are essential frameworks that set out the guidelines and boundaries of behaviour for how we treat each other as colleagues, suppliers and customers. We have a collective desire to have a positive impact on society and follow the UN Global Compact and the OECD Guidelines for Multinational Enterprises and the standards issued by the International Labour Organisation (ILO) – and we expect our Business Partners to do the same. All employees are trained on our Code of Conduct annually. Business Partners are required to confirm adherence to the standards set out in our Business Partner Code of Conduct as part of the Group's due diligence process and the Business Partner Code of Conduct is included in our standard contract language for suppliers. As at 31 December 2019, 93% of Partners being actively managed in our current labour standards programme had already committed to follow the standards in the Business Partner Code of Conduct<sup>1</sup>. This process will continue as new partners are engaged and existing contracts renewed.

### DUE DILIGENCE

We require all in-scope partners to complete a due diligence questionnaire before we work together covering the topics of modern slavery and human trafficking. The questionnaire covers topics such as suppliers' practices regarding:

- Responsibility for, and compliance with, working hours, pay and age legislation.
- Verification of proof of age.
- The use of agencies to recruit employees.
- Any monetary deposits required of employees.
- Management of the risks of slavery and human trafficking in their own supply chain.

Suppliers are asked to respond to the questionnaire at least once every three years, according to the risk profile of the supplier. This process is managed through our online due diligence platform, which launched in 2018.

### AUDITS

Our audit programme began in 2016. Since then we have undertaken 51<sup>2</sup> audits of key suppliers against the [SMETA](#) 2-Pillar framework, working with SGS (an international specialist audit firm). In addition to the audits undertaken with the support of SGS, where appropriate audits are also undertaken by trained in-house staff. In 2018 we developed a standardised action rating system, helping us to focus our attention on areas which are highest risk and require our greatest support, which continued to be used in 2019.

| # OF BUSINESS PARTNERS WHO:                 | 2016 (PILOT) | 2017       | 2018            | 2019            |
|---|--------------|------------|-----------------|-----------------|
| Were audited by an independent third party  | 3            | 8          | 21 <sup>3</sup> | 18 <sup>4</sup> |
| Provided comparable audit reports           | 0            | 1          | 10              | 9               |
| Were audited by in-house staff              | 3            | 0          | 1               | 0               |
| Completed due diligence questionnaires      | 31           | 118        | 23              | 40              |
| No action due (per programme schedule)      | N/A          | 23         | 105             | 109             |
| Action due but not yet completed            | N/A          | 11         | 12 <sup>5</sup> | 1 <sup>6</sup>  |
| <b>Total in scope for active management</b> | <b>37</b>    | <b>161</b> | <b>172</b>      | <b>177</b>      |

<sup>1</sup>Whether our standards or equivalent standards.

<sup>2</sup>Including 19 in 2019 (18 suppliers, 1 of which was audited twice).

<sup>3</sup>Plus 1 subsidiary organisation of Springer Nature which was audited in 2018.

<sup>4</sup>Includes 2 follow up audits and 1 supplier which was audited at 2 different locations (meaning the total number of audits was 19).

<sup>5</sup>Of the 12 actions not completed in 2018, all but 1 were completed within Q1 2019 (the exception is the same supplier we were unable to audit in 2019 due to a change in ownership).

<sup>6</sup>1 audit was not completed in 2019 due to a change in ownership. We will aim to complete this in 2020.

## 2/ POLICIES AND CONTRACTUAL COMMITMENTS, DUE DILIGENCE AND AUDITS / continued

### IN 2019 OUR ON-SITE AUDITS IDENTIFIED<sup>7</sup>:

- 1 area for improvement related to lack of **age verification** processes for the supplier's direct employees. The company's recruitment processes have been updated and training is being rolled out. While there were no indications of child labour identified by the auditors, age verification processes are required to ensure suppliers can be confident there is no child labour in their workforce.
- 22 actions identified as 'high' importance in the areas of **fair pay and conditions** – of these 15 had already been closed as at 31st December 2019 and the remaining 7 closed by publication of this statement, including supporting suppliers to ensure staff get payslips, that minimum wage is paid, that correct overtime rates are paid and that at least 1 day per week is a rest day.
- 46 actions identified as 'high' importance in the areas of **health and safety** – of these 31 had already been closed as at 31st December 2019 with a further 9 closed by publication. As at publication 6 were pending closure – either because they were being completed in line with the agreed implementation timeframe, or were overdue due to pending government inspections or changes in premises.
- The completed actions including supporting suppliers to make sure that emergency drills are completed, that dangerous machinery has the appropriate safety features in place, that emergency lighting is in place, that fire alarms are installed and that emergency exit doors open in the correct direction.
- 1 area related to the **prevention of forced labour** – following a deduction of equivalent £1 for a work error. This was paid back to the employees in question and the company have confirmed this will not be repeated as a disciplinary measure.

<sup>7</sup> This does not include the 12 high rated findings from one audit where we have ceased work with that supplier due to their unwillingness to engage in an improvement programme.

### 3/ TRAINING AND AWARENESS

Springer Nature employees are trained annually on our Code of Conduct. In addition, 166 staff have now been trained specifically on modern slavery risks. A further 190 staff from relevant teams were provided with in-person training in 2019 on Springer Nature's due diligence platform (which includes reviewing questionnaire answers related to labour standards risks). Since the majority of our audit findings to date have related to health and safety, 19 staff who regularly visit supplier sites were also trained in 2019 on health and safety risks and how to spot them and given a checklist for when they visit supplier sites.

Springer Nature aims to increase awareness of human rights, and broader ethical standards issues, through its interaction with its suppliers. We do this directly through our Business Partner Code of Conduct, as well as through discussing audit findings and supporting with follow up of agreed actions, and together with our peers as part of the activities of the Book Chain Project. In 2019 the [Book Chain Project](#) rolled out a health and safety awareness programme across printers in China and in 2020 we will look to share good practice from this among printers in other locations as appropriate.

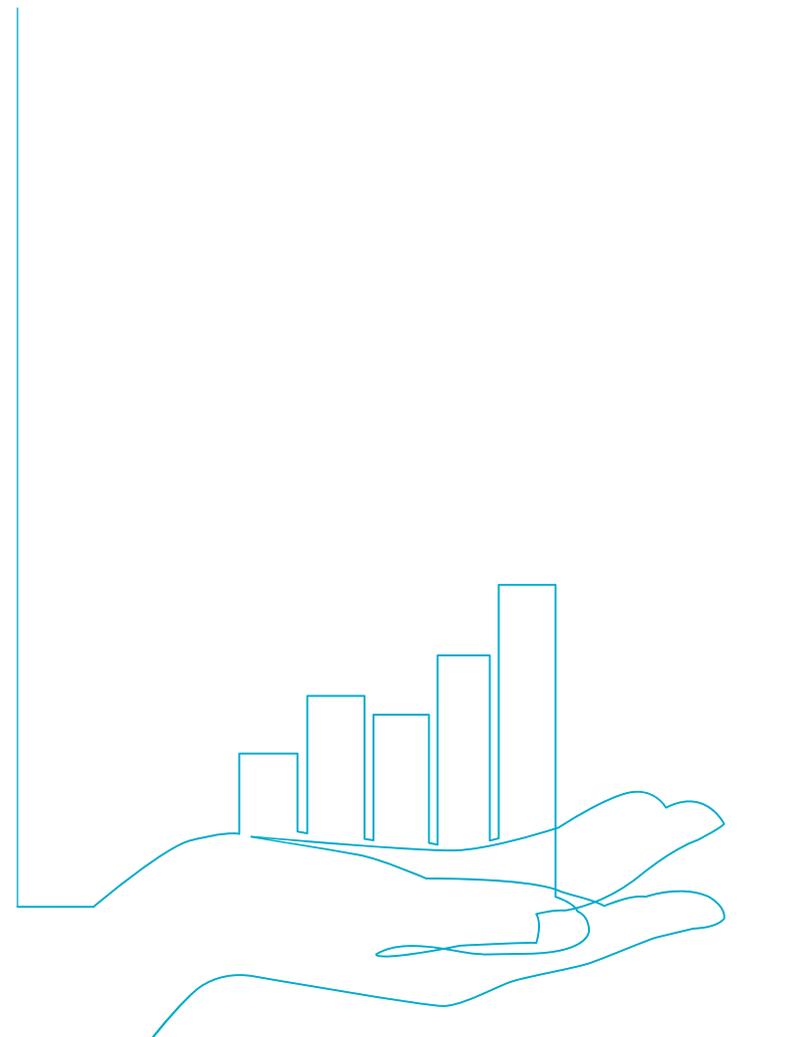


## 4/ KEY PERFORMANCE INDICATORS

### KEY PERFORMANCE INDICATORS – A SNAPSHOT OF THE STATUS AS AT 31ST DECEMBER 2019

|  | 2017 | 2018 | 2019 |
|--|------|------|------|
| <b>CONTROL LANDSCAPE</b>   |      |      |      |
| % of suppliers who had completed the requested activities  | 93%  | 93%  | 99%  |
| <b>DATA GATHERING</b>  |      |      |      |
| % of requested audits completed<br><i>One audit was unable to be completed due to ownership changes</i>  | 80%  | 94%  | 99%  |
| % of due diligence questionnaires completed within required timeframe (calendar year)  | 93%  | 70%  | 100% |
| <b>AUDIT RESULTS</b>   |      |      |      |
| % of actions closed out within the required timeframe*<br><i>*Excluding actions from one audit where we have ceased work with that supplier due to their unwillingness to engage in an improvement programme</i> | 65%  | 79%  | 64%  |
| <b>TRAINING</b>  |      |      |      |
| # of staff trained   | 120  | 279  | 214  |
| <b>COMMITMENT TO OUR BUSINESS PARTNER CODE (OR EQUIVALENT)</b>   |      |      |      |
| % of actively managed suppliers who have confirmed commitment  | 94%  | 90%  | 93%  |
| <b>SPEAK UP REPORTS RELATING TO LABOUR STANDARDS IN OUR SUPPLY CHAIN*</b>  |      |      |      |
| # of Speak Up reports<br><i>The Speak Up reports raised in 2019 were received from a subsidiary company and investigated and clarified. There was no indication of modern slavery or human trafficking.</i>      | 1    | 8    | 4    |

\* Within the SMETA 2-Pillar scope





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December 2019

*This statement was approved by the Springer Nature Board on 11 March 2020*

**SPRINGER NATURE GROUP**