



macmillan  
Publishers International

# GENDER PAY GAP REPORT

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APRIL  
2024

## Introduction

At Macmillan Publishers International Limited (MPIL) we aspire to recruit and develop talent from all backgrounds and are committed to building an inclusive workplace, where everyone feels valued and has an equal opportunity to succeed.

Gender pay reporting offers an opportunity for us to examine the reasons behind our gender pay gap and consider more widely how we can continue to build a working environment that supports gender equality.

This gender pay gap report includes our statutory disclosure, along with a list of actions that will help us to further support women in their careers at Macmillan Publishers International (MPIL).

MPIL has used the gender identity we have on record for our employees to compile this report, however it is important to recognise that this data may not match how an employee self-identifies in every instance.

## Background

This report presents the 2023 gender pay gap data for MPIL, comprising Pan Macmillan in the UK and Priddy Books, our consumer publishing businesses; Macmillan Learning UK; Macmillan Distribution Limited (MDL), our distribution business; and our shared functions department including HR, Legal, Finance and IT and a number of Holtzbrinck Publishing Group employees.

At that time MPIL employed 683 employees across three locations: Swansea, Basingstoke and London. The pay data is based on 'full-pay' employees, i.e. it does not include employees on reduced pay – for example, statutory maternity pay (beyond the enhanced leave period), sick pay and unpaid leave – who are excluded by the government reporting structure. We have included 96.3% of our employees in the pay analysis.

This year the total number of employees included in the gender pay gap analysis grew 8.8%, from 605 in 2022 to 658 in 2023, comprising 232 men (35%) and 426 women (65%).

The total number comprises 568 full time employees and 90 part time employees.

For pay gap calculations, salary is calculated after any deductions made through salary sacrifice. As a result, figures may fluctuate slightly year to year. For example, if two people with different genders have the same salary and the female is sacrificing more through salary sacrifice, then her hourly pay will appear lower than that of her male colleague. We use salary sacrifice for three of our schemes: pensions, childcare vouchers and the cycle to work scheme.

**2022**

33% men

67% women

**2023**

35% men

65% women

## Gender diversity at MPIL

Our aim at MPIL is to build an equitable culture, where everyone feels able to succeed irrespective of their gender.

At the leadership level, we are proud to have a strong representation of women across the business. Our consumer publishing business, Pan Macmillan, is led by a female CEO and the leadership team as a whole is 75% female. The UK board at Macmillan Distribution (MDL) is 50% female.

### Leadership



### Recent progress

Recent data shows that the gender pay gap is highest for women aged 50 to 59 – nearly four times as high as for women in their thirties.<sup>2</sup> In 2023 MPIL launched a new menopause policy to actively support women experiencing menopausal symptoms, encouraging them to progress so they can reach their full pay potential.

Pan Macmillan continues to offer flexible working for all employees, with a minimum of three days worked in the office and core hours to support working parents and employees with caring responsibilities. Pan Macmillan also offers six months' enhanced parental leave to all parents to help address 'the motherhood penalty' - the loss of lifetime earnings experienced by women raising children and the most significant driver of the gender pay gap according to PwC.<sup>3</sup> Company bonuses are paid to all employees, including those who have taken parental leave during the course of the qualifying year.

In 2023 Briony Grogan - formerly HR director and diversity lead at News UK - was appointed to the newly created role of director of people and culture at Pan Macmillan, a significant investment in the company's people strategy.

As part of a new people strategy, Grogan has launched a new employee engagement survey to facilitate better feedback across Pan Macmillan and benchmark the company's progress as an inclusive employer. Grogan has also recruited a new head of talent role to help attract diverse talent.

Macmillan Distribution Limited (MDL) also offers flexible working for all employees, with a minimum of three days worked from the office. In the distribution centre in Swansea, MDL continues to offer temporary and part-time working positions to facilitate better work-life balance and attract a broader candidate pool. Last year, 42 temporary staff members were offered permanent positions which sought to offer higher levels of job security and long term employment.

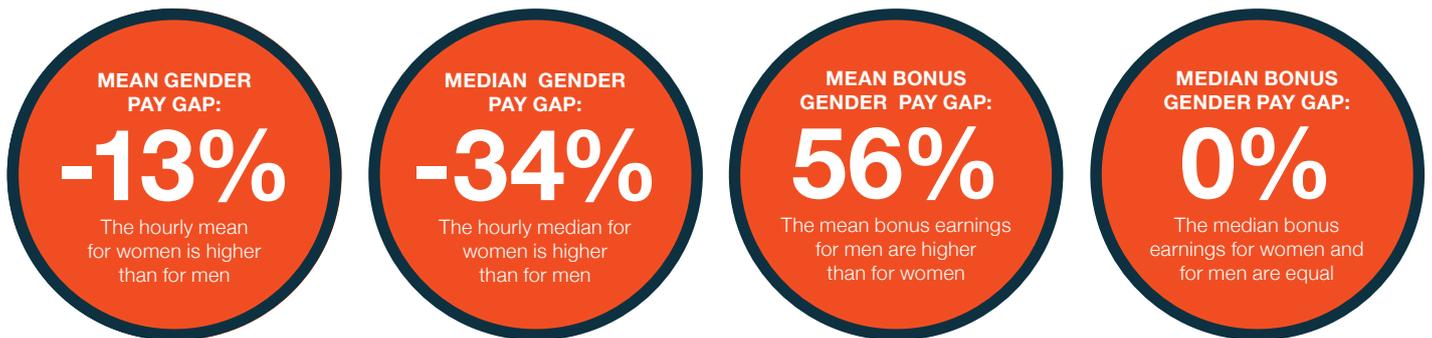
<sup>1</sup> UK based leadership team.

<sup>2</sup> Office for National Statistics Annual Survey of Hours and Earnings, 2023.

<sup>3</sup> PwC's 2023 Women in Work Index2.

## Our gender pay information

Below we show MPIL's mean and median hourly gender pay gap and mean and median bonus gap as of the snapshot date of 5 April 2023, and mean and median bonus gap paid in the 12 months prior to 5 April 2023.

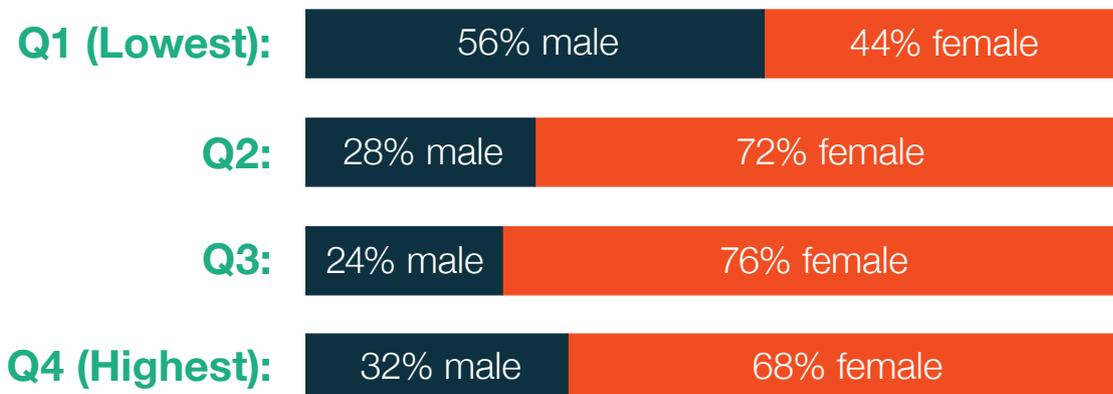


## The proportion of men and women at MPIL UK receiving bonus payments



## Proportion of men and women employed in each salary quartile

The proportions of men and women in each pay quartile illustrate that in all but one quartile the proportion of women is higher than men.



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## The headline numbers

- Overall MPIL continues to employ more women than men, with the representation of men increasing by 2% yoy - 232 men (35%) and 426 women (65%) are included in this year's pay gap calculation, compared to 33% and 67% in 2022.
- Average hourly pay for women has increased by 6%, whereas for men it has decreased by 4%.
- In all but one pay quartile - the lowest quartile - the proportion of women is higher than men. Representation of men increased in all quartiles except the top quartile - 6% in Q1 and 3% in Q2 and 2% in Q3, while the representation of women in the top quartile grew by 3%.
- There was a significant change in the proportion of men receiving bonuses compared to women, with 33% of men receiving a bonus and 69% of women receiving a bonus, compared to 94% of men and 92% of women in 2022.
- The average mean bonus earnings for men remains higher than for women at 53% compared to 18% in 2022. The median bonus gap remains at 0%.

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## Understanding the gap

### Pay gap

The snapshot of data shows that MPIL's gender pay gap is significantly lower than the national UK average of 14.3%.

Across MPIL the mean gender pay gap is 13% in favour of women, compared to a gap 2% in favour of women in 2022. The median gap is 32% in favour of women, compared to 19% in 2022: this gap is mainly because MPIL has unequal proportions of men and women.

Average hourly pay for women has increased by 6%, whereas for men it has decreased by 4%. This is partly due to an increase in appointments of women within the Q4 range: we have seen the proportion of women in the top pay quartile increase to 68%, which is the highest proportion we have seen since we began recording the gender pay gap in 2017.

Another reason for the increase was a recruitment drive in Macmillan Distribution Limited (MDL) in Swansea, with more than 40 new warehouse operatives joining the company, the majority of whom are men and fall under the Q1 hourly rate range.

### Bonus gap

The overall mean bonus gap in 2023 (56%) jumped significantly from 2022 (18%).

33% of men and 69% of women received a bonus, with 61% fewer men and 23% fewer women receiving a bonus compared to 2022 - this is partly due to a £750 cost of living payment made to Pan Macmillan employees, of which a higher proportion are female.

However, the average mean bonus earnings for men remained higher than for women at 53% compared to 18% in 2022. The median bonus gap remains at 0%, indicating that the mean bonus gap is being skewed by a small number of high earning males in Q4.

**Overall, the data demonstrates an improvement in the gender pay gap in favour of women. It is important to acknowledge that the gap is widened by a relatively high proportion of men in the lower quartile. However, it is encouraging that we have seen the representation of women in the top quartile increase to 68% - the highest it has been since we began recording the gap in 2017.**

### Actions for the year ahead

**As part of our commitment to diversity, equity and inclusion at MPIL, we will continue to promote gender equity across the business and break down systemic gender barriers to success.**

Looking to the year ahead, a full benefits review has been designed to help MPIL retain and attract more diverse talent.

Following the appointment of a new head of talent this year, Pan Macmillan will be strengthening its focus on talent planning, with a view to reinforcing gender equity across the business. It will also be introducing a new third-party, professional coaching programme for employees returning from parental leave, to help ensure that returning mothers in particular receive the necessary support required to continue to progress in their careers. Pan Macmillan will also be reviewing how it positions its employer brand to encourage applications from a broader, more diverse candidate pool.

At MDL, investment in new technologies including a new warehouse management system will decrease some more labour intensive tasks and help to attract a broader more diverse applicant pool in the long term. MDL is also working to improve financial awareness and piloting retirement advice sessions and 1-2-1 appointments with pensions advisors, with a view to narrowing the gender pension gap.



**Lara Borlenghi**  
Chief Financial Officer  
at Pan Macmillan



**Guy Browning**  
Managing Director  
at Macmillan Distribution

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## Understanding the definitions

### GENDER PAY VS EQUAL PAY

#### Gender Pay

The gender pay gap is an equality measure that shows the difference between the average earnings of men and women across the company. It is expressed as a % difference against men's earnings. The gender pay gap does not show differences in pay for comparable jobs.

#### Equal Pay

Men and women in the same employment performing equal work in comparable jobs, must receive equal pay. Unequal pay for men and women has been illegal for 45 years.

### THE DIFFERENCE BETWEEN MEAN AND MEDIAN

#### Mean

The mean is the average of all the data.

#### Median

The median is the mid-point (middle number in the list of data).

Does not agree with earlier statement:

Our consumer publishing business, Pan Macmillan, is led by a female CEO and the leadership team as a whole is 75% female.

Pan Macmillan, Priddy Books and Macmillan Distribution Ltd are part of Macmillan Publishers International Ltd.

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