

SCIENCE MUSEUM GROUP

SCMG ENTERPRISES LIMITED

GENDER PAY GAP REPORT

Report for 31 March 2018

What is Gender Pay Reporting?

SCMG Enterprises Limited, part of the Science Museum Group, is committed to closing the gender pay gap and our approach to pay rewards all employees fairly, regardless of gender.

Under legislation which came into force on 31 March 2017, all employers with 250 or more employees are required to report annually on their gender pay gap. The gender pay gap uses the hourly rates of men and women taken at a specific 'snapshot date' of 31 March 2018 and shows the percentage difference in earnings across the organisation between men and women.

Gender pay gap reporting requires the following to be reported:

- Mean and median gender pay gaps
- Mean and mean gender bonus gaps
- Proportion of men and women receiving bonuses
- Distribution of men and women across each quartile pay band

The Science Museum Group (which is a trading name) is formed of two legal entities:

- SCMG Enterprises Limited; and
- The Board of Trustees of the Science Museum

The Science Museum Group is required to report on the gender pay gap for both SCMG Enterprises Limited and The Board of Trustees of the Science Museum since both entities employ more than 250 people.

This report is for SCMG Enterprises Limited.

Gender Pay Gap Outcomes

SCMG Enterprises Limited employed 899 people as at 31 March 2018. Of those 66% were women and 34% men.

Gender pay gap

| Mean | Median |
|-------|--------|
| 3.7 % | 5.5 % |

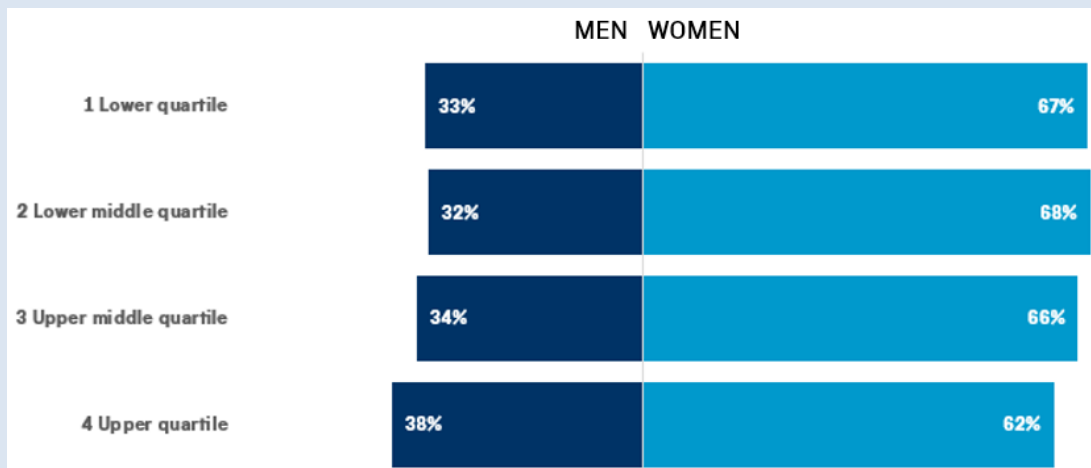
Gender bonus gap

| Mean | Median |
|------|--------|
| 57 % | 47 % |

Proportion receiving a bonus

| Male | Female |
|-------|--------|
| 3.2 % | 4.6 % |

Proportion of males and females in each quartile



Understanding our gender pay gap

We have seen an increase in our mean and median gender pay gap for SCMG Enterprises Ltd since 31 March 2017.

Changes in headcount over the past year have resulted in an increase in the number of female employees in the lower and lower middle pay quartiles, while the number of female employees in the upper middle and upper pay quartiles has decreased. This is contributing to the increase in the pay gap, however we will be undertaking more analysis to better understand what other factors may be affecting this.

The gender pay bonus gap reflects a different issue. SCMG Enterprises Limited offers bonuses to a small minority of roles. There are two bonus schemes: an Executive bonus scheme aligned to performance ratings and an Enterprises bonus scheme for those in commercial roles that rewards performance against targets. The number of bonuses awarded were 3 Executive bonuses and 35 Enterprise bonuses, and these vary significantly in value.

The largest bonus award made was to the most senior employee within SCMG Enterprises Limited, who is male. If we remove the 3 Executive bonuses, the mean bonus pay gap is 8% and the median is 32%.

While overall more women than men received a bonus, and while roles at equivalent levels received similar Enterprises bonuses, there were more women receiving the lower bonus payments than men. The number of Enterprises bonuses awarded has reduced considerably from last year (from 63 to 35) and there has been a large reduction in the number of men receiving a lower value Enterprises award. This has significantly increased the mean and median bonus for male employees.

Action we are taking to close the gap

Being *Open for All*, one of our five core values, is at the heart of our ambitions at the Science Museum Group and closing the gender pay gap is a priority for us. We recognise that this data represents a snap shot in time and we will continue to work to understand the causes of the pay gap and address disparities.

Our priorities for diversity and inclusion over the next two years include:

- reviewing our recruitment and selection practices to ensure they are free of bias
- introducing unconscious bias training for recruiting managers
- fostering a culture that values and promotes diversity in all areas of our work
- developing an inclusive leadership approach
- undertaking greater analysis on our workforce data to better inform our people strategy in relation to diversity and inclusion