

# SOCIAL RESPONSIBILITY REVIEW 2014





"WE'RE PROUD TO BE AT THE FOREFRONT OF THE HOSPITALITY INDUSTRY – WE ARE INVESTING IN THE COMMUNITIES WHERE OUR PUBS ARE LOCATED: LOOKING AFTER OUR ENVIRONMENT AND PUTTING PEOPLE FIRST; MAKING SURE OUR PEOPLE AND GUESTS ARE ALL LOOKED AFTER AND HAPPY; AND RESPECTING THE TRUST THEY PLACE IN US."

Alistair Darby, Chief Executive





AT MITCHELLS & BUTLERS WE ARE COMMITTED TO EARNING THE TRUST AND RESPECT OF OUR GUESTS, PEOPLE AND NEIGHBOURS, AND LOOKING AFTER THEM.

Whether that's through supporting people in the communities around our pubs, ensuring our team members have a great career path, or working closely with food and drink suppliers on nutrition and waste, we are committed to improving the way we do business year on year.

## OUR PROJECTS FALL INTO FOUR CATEGORIES

OUR GUESTS
The food and drink we serve

OUR PEOPLE Our staff and their wellbeing

OUR COMMUNITIES

Our pubs, restaurants and their role locally

OUR WORLD

The environment we all share

### OUR GUESTS —

# The food and drink we serve

AS THE LARGEST MANAGED PUB AND RESTAURANT OPERATOR IN THE COUNTRY, WE'RE IN A POSITION OF TRUST. OUR GUESTS TRUST US TO SERVE GOOD FOOD THAT REPRESENTS GOOD VALUE FOR MONEY, WHICH IS SAFELY PREPARED AND COOKED. THEY TRUST US TO SERVE ALCOHOL RESPONSIBLY AND TO SOURCE FOOD THAT IS BOTH SUSTAINABLE AND ETHICAL, WITH DUE REGARD FOR HIGH STANDARDS OF WELFARE FOR BOTH WORKERS AND ANIMALS.

#### WHAT'S IN OUR FOOD?

We use guest insight to better understand our guests' preferences and priorities in order to develop clear nutritional messaging. Our focus is on shouting about our ingredients, healthy cooking techniques, the freshness of our food and healthier options to enable our guests to make informed choices.

ONLINE NUTRITIONAL INFORMATION Harvester, Toby Carvery and Crown Carveries publish nutritional information online for their core menu items. This year, over 100,000 of our guests have viewed this information.

#### LOWER CALORIE DISHES

In All Bar One, Ember Inns and a number of our Heartland pubs, meals that contain 700 calories or less are highlighted on the main menus. In Harvester, we print calorific values on all our menus including the Young Guests' menu. Chefs in any of our businesses will happily respond to a guest's request to swap to a healthier option, for example, a side salad in place of potatoes and wherever possible, we serve dressings and sauces separately.

#### ALLERGENS

We're fully compliant with new EU legislation on common food allergens – information on all 14 is fully available across all our pubs.

#### REDUCING SALT LEVELS

By working with our suppliers and providing sensory training to our development chefs we've further reduced salt content in the products we use without compromising on food safety, taste or quality. More than 25 products are now lower in salt in line with Responsibility Deal Salt Pledge targets and means this year 90 tonnes of salt has been removed from our menus!

#### NEW MINERAL SALT TRIAL

Our mineral salt blend is currently being trialled both in the cooking process and as a replacement for standard table salt. This contains less sodium than standard salt and therefore could reduce the amount of sodium our guests consume. All being well, we hope to roll this out to all pubs during 2015, making Mitchells & Butlers the first hospitality company to achieve this

#### TRANS FATS

We do not use hydrogenated vegetable fats in our food; this policy has been in place since January 2013. The levels of trans fats in our frying oils is limited to 2%, although typically the actual level is less than 1%.

#### FOOD SOURCING

We work closely with a network of trusted suppliers to source the best quality ingredients for our menus. When buying our food we ensure our high food safety standards are met, we are sourcing quality products, and we are taking into account provenance and price.

#### NATIONAL PARKS

We have completed the first year of working with a group of farmers located in the National Parks to rear lamb. We are featuring selected cuts on our Browns and Castle pubs menus, offering our guests British lamb that is fully traceable and of excellent quality.

#### **UK GROWERS**

We continue to strengthen our relationships with UK growers, working direct where possible to remove the wholesaler's margin and delivering fresher seasonal products to our kitchens. For example, we use British strawberries when in season and all our fresh potatoes in Toby and Crown Carveries are British. We have also begun a trial to grow our own potato crop through a direct supply contract at Brechin in Scotland.

#### WORKING TOGETHER

We are part of an integrated supply chain team that includes Morrisons and McDonald's, to take beef steaks from black and white bull calves produced from dairy herds, which would otherwise be destroyed on farms. These animals are reared to strict protocols and we work with a rearing company and processor to utilise the steak meat produced.

# MITCHELLS & BUTLERS' QUALITY CATTLE SCHEME

We make sure our beef is high quality and fully traceable from farm to fork. We are currently working with 21 farmers who are rearing approximately 1,400 calves under our direct contract agreements. The first animals will be ready in spring 2015, giving us a supply of around 20 animals each week, all fully traceable from farm to fork.

#### SERVING ALCOHOL RESPONSIBLY

Our Alcohol and Social Responsibility policy promotes good practice in the responsible retailing of alcohol through employee training, safe operational practices and responsible pricing and promotions.

#### CHALLENGE 21

This remains a fundamental part of our employee training programme and means our retail teams are fully aware of their licensing responsibilities and not serving alcohol to anyone under the age of 18.



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#### NO 24 HOUR LICENCES

We don't have any 24 hour licences.

#### PARTNERSHIPS

We're proud to support and work in partnership with a number of organisations including: Drinkaware Trust, Pubwatch, Best Bar None, the BIIAB, London Security Council and Association of Licensed and Multiple Retailers (ALMR).

#### MESSAGING

We encourage our brands to promote responsible drinking messages. This is done through our websites, social media pages and in-house promotional materials.

#### PARENTS 'TALK' CAMPAIGN

This high profile campaign highlights the importance of talking to children about the risks of alcohol. We became involved as part of our commitment to support Drinkaware to reduce alcohol misuse and harm and the projects provide people with meaningful information about alcohol. We added the stakeholder materials to our website and sent out awareness messages via our corporate Twitter account.

#### BEE WINE

Bringing a taste of honey to All Bar One, we've sold over 5,500 bottles raising £2,754 so far (50p donated per bottle) to support the Friends of the Honey Bee campaign set up by the British Beekeepers' Association.

#### ANNUAL ACCOLADES

It's been a great trophy year for Mitchells & Butlers food and drink with a host of awards won demonstrating the hard work, commitment and support we have given to British farming including:

- British Turkey Foodservice Operator of the Year beating rivals Whitbread, Greene King and Brakes!
- British Turkey Best Foodservice Product for our Toby Carvery Turkey Crown.
   We faced tough competition with other finalists including Bernard Matthews and Grove Smith.
- Beef Innovator of the Year Award for one of our beef farmers rearing cattle for the Mitchells & Butlers' Quality Cattle Scheme by the Farmers' Guardian.
- National Trust Award Paul and Charlotte Parfitt, experienced cattle farmers and part of our Cattle Award scheme, won a National Trust Fine Farm Produce Award 2014 for their beef production.
- Britain's Best Restaurant Harvester triumphed at the Tommy's Awards winning Best Family Friendly Restaurant for the second time!

# HICS. TRACEABILITY. TRUST. FLAVOUR. SUSTAINABILITY. NUTRITION. JOKING. FRESHNESS. CHOICE. VALUE. INFORMATION. RESPONSIBILITY.

"THE ROSPA SAFETY AWARDS

ARE INTERNATIONALLY RECOGNISED

AND WE ARE PROUD TO BE A PART OF

THE LONGEST RUNNING AND OF THE

MOST HIGHLY RESPECTED SAFETY

AWARD SCHEMES."

Darren Read, Health and Safety Manager

"IT'S BECOMING THE NEW NORM
FOR YOUNG PEOPLE TO CHOOSE TO
EITHER GO TO UNIVERSITY OR BEGIN AN
APPRENTICESHIP. SO IT'S GREAT THAT
MITCHELLS & BUTLERS HAS CHOSEN
NATIONAL APPRENTICESHIP WEEK TO
ANNOUNCE THAT I,000 NEW
APPRENTICESHIPS WILL BE CREATED
WITHIN THE ORGANISATION."

Matthew Hancock, MP Minister for Skills and Enterprise



ENGAGE. EXPERIENCE. INSPIRE. MOTIVATE. CHALLENGE. ACT. TEAMWORK. TI TALENTS. DEVELOP. TRAIN. ENCOURAGE. REWARD. RECOGNISE. SUPPORT. GF



### OUR PFOPLE

# Our staff and their wellbeing

WITH OVER 100 YEARS' EXPERIENCE IN THE HOSPITALITY INDUSTRY WE OFFER OUR PEOPLE A HUGE RANGE OF CAREER OPPORTUNITIES. THROUGH OUR PEOPLE STRATEGY WE ARE STRIVING TO ATTRACT, DEVELOP AND RETAIN THE BEST TALENT. EVERYTHING WE DO AS A BUSINESS IS BUILT ON THE ENTHUSIASM AND PROFESSIONALISM OF OUR PEOPLE.

#### RETAINING TOP TALENT

Our Retail team member turnover is at a historical low.

ATTRACTING THE BEST TALENT Last year we created around c750 new jobs by opening new retail sites across the UK.

#### BEST POSSIBLE START

A new induction process has been launched for team members joining us.

#### ACCREDITED COACH

#### AND AMBASSADOR NETWORK

More than 1,400 of our people are now involved and we increased the opportunity to learn Coaching Foundations – this is where individuals are trained to help others to develop by providing objectivity and challenging perceptions, so that employees are more able to set goals and use their own experiences to help them progress.

#### APPRENTICES

We currently have more than 1,500 learners on a vocational or apprenticeship programme and have pledged to take on a further 1,000 over the next two years. We are also working with Believe in Young People, offering more than 200 work experience places to 14-18 year-olds who wish to explore a career in hospitality. This is a natural lead into our apprenticeship scheme.

#### REWARDING OUR PEOPLE

An ever increasing number of our people are now signed up to pickaperk, offering exclusive discounts with an extensive range of retailers through instant vouchers, cashback or reloadable cards. Since its launch in February 2013, discounted goods to the value of £1.3 million have been purchased. Through pickaperk our people can also apply for our salary sacrifice schemes, childcare vouchers and cycle to work scheme. In addition, our people have access to a wide range of company benefits, such as Sharesave, Free Shares, pension for eligible/entitled workers and dental plans.

#### 'RECOGNISING YOU'

This year saw us launch this new scheme where line managers across Mitchells & Butlers can officially recognise our people when they achieve key milestones from one year to 45 years, offer personalised 'Thank You' cards to recognise hundreds of our people who demonstrate living our values and also award pre-loaded gift cards.

#### 'DINE WITH US'

Employee discount scheme launched digitally, improving access for our people to enjoy a 20% discount when dining in one of our restaurants or pubs.

#### WE'RE LISTENING!

This year 72% (27,869) of our people completed our employee engagement survey, Your Say. This level of engagement beat benchmark results and our central retail support team engagement scores continue to trend upwards year on year.

#### DIVERSITY

Our Diversity Policy ensures that every employee, without exception, is treated equally and fairly and that all our people are aware of their responsibilities.

### TROPHY CABINET

- Top 100 Job Crown Graduate Employee status for 2014/15 for the second year running.
- Mitchells & Butlers and UCB win PACE Award for partnership between education and industry at the Professional Association for Catering Education and People 1st Learning and Development Forum 2014.
- ROSPA Award Silver Occupational Health and Safety Award. High level of performance underpinned by good management systems.
- West Midlands National Apprenticeship Awards Highly Commended.

"THE AWARDS NOT ONLY RECOGNISE THE GREAT GRADUATES, LINE MANAGERS, COACHES AND PLACEMENT MANAGERS ACROSS MITCHELLS & BUTLERS, BUT ALSO SHOWCASE THE CAREER OPPORTUNITIES WE HAVE AVAILABLE TO YOUNG PEOPLE AND THE IMPORTANCE OF BUILDING A PIPELINE OF TALENT FOR THE FUTURE."

### OUR COMMUNITIES -

# Our pubs, restaurants and their role locally

WE'RE COMMITTED TO BEING A GOOD NEIGHBOUR BY SUPPORTING OUR COMMUNITIES WITH BOTH OUR TIME AND EXPERTISE. BY SUPPORTING OUR PEOPLE AND BUSINESSES ACROSS A SPECTRUM OF CHARITABLE ACTIVITY AND FUNDRAISING, WE CONTINUE TO BUILD STRONG RELATIONSHIPS WITH OUR GUESTS AND NEIGHBOURS AND GIVE BACK TO THE COMMUNITIES IN WHICH WE TRADE.

2014 HAS SEEN US GIVE HANDS-ON HOURS TO HELP LOCAL COMMUNITIES AND RAISE THOUSANDS OF POUNDS FOR GOOD CAUSES.

#### TOBY CHEF SCHOOL

Our fun, free, education trip for school groups teaching little ones about healthy eating and fresh fruit and vegetables. Hundreds of children have taken part in Chef School in the last year. We also exhibited at the National Education Show reaching 12,000 teachers!

#### £75,000 RAISED FOR THE PRINCE'S TRUST!

A team of enthusiastic employees took part in The Prince's Trust Million Makers fundraising initiative, where teams compete to raise as much money as possible by setting up mini-enterprises. The Mitchells & Butlers' team, Team Pride, raised an incredible £60,000 in a variety of innovative ways such as; a world record car wash attempt, Toby Carvery Month of Sundays' raffles, an All Bar One fundraising day and a photography stall at the annual Christmas party. Over 80 teams across the country competed to raise the most money for The Prince's Trust, with Mitchells & Butlers ranking forth in the national competition and being named 'top fundraiser' in the West Midlands. We topped this up with a corporate donation of £15,000 bringing this year's total to £75,000 – and over the last few years of support an overall total of £180,000.

#### FREE FESTIVE DRINKS

Last Christmas Vintage Inns took care of designated drivers with a complimentary soft drink to ensure party goers got home safely.

#### THE GOOD CAUSE FUND

We've set up a central fund to boost local fundraising in our pubs and restaurants. Our people can apply for a donation towards their efforts or a donation to kick-start their activity. Last financial year we donated over £9,500 to projects in pubs and restaurants ranging from Cancer Research and Papyrus to the Jennifer Trust.

#### EMPLOYEE DONATIONS PROGRAMME

This fund provides donations for individual Mitchells & Butlers' employees (and retired employees) to support a personal charity event or challenge of their choice. Last financial year we made donations of around £19,500 to a large number of local and national causes including Macmillan Cancer Support, Parkinson's UK and Action for Children on behalf of our people. Highlights of the charity activities undertaken by our pubs and people include:

- The Product Programme team raised more than £3,000 for MS UK, a charity that supports those with multiple sclerosis. They held a series of events, including a cake sale and raffle, and eight members of the team took part in the London Bupa 10k.
- Over the 2013 festive season All Bar One pubs donated 50p from every glass of Mulled Wine sold to The Prince's Trust.
- This May, Oak Tree and Sizzling Pubs launched a pledge to raise £250,000 for Cancer Research UK.
- In October, more than 300 pubs took part in a Guinness World Record attempt for the largest car wash to raise money for The Prince's Trust.

#### HELPING OUR PEOPLE

Our people have access to the Support & Care scheme provided by The Licensed Trade Charity. This can be a real lifeline to those facing personal problems, offering much-needed professional advice, care and support in situations such as debt problems, a relationship breakdown, housing difficulties and so on. The service is tailored specifically for the licensed trade and allows anyone who needs advice to get straight to those who can help. Mitchells & Butlers has been supporting this scheme by offering the free service to our people for more than a year.



"OUR PARTNERSHIP WITH MITCHELLS & BUTLERS IS MAKING A HUGE DIFFERENCE
TO YOUNG PEOPLE AROUND THE COUNTRY. THE PROGRAMME INTENDS TO INSPIRE A GENERATION
BY SHOWCASING THE CREDIBILITY OF THE HOSPITALITY INDUSTRY AND HELPING SPOT THE TALENT
OF THE FUTURE, AS WELL AS HIGHLIGHTING THE TRAINING AND APPRENTICESHIP OPPORTUNITIES
MITCHELLS & BUTLERS HAS TO OFFER."

Tanja Kuvejic, CEO of Believe in Young People

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"OUR CLASS TRIP TO THE TOBY CHEF SCHOOL LINKED BRILLIANTLY WITH OUR 'LOOKING AFTER OURSELVES' TOPIC. THE CHILDREN WERE ALL SO EXCITED AND REALLY LOVED THE EXPERIENCE. THEY HAD BEEN LOOKING AT HEALTHY FOODS AND MAKING HEALTHY CHOICES – SO SEEING AND LEARNING ABOUT THE VEGETABLES AND MEAT HELPED THEM MAKE THE LINK ABOUT WHAT THEY ACTUALLY ARE AND WHERE THEY COME FROM. THE HANDS-ON EXPERIENCE AND DIFFERENT LEARNING ENVIRONMENT AWAY FROM THE CLASSROOM WAS EXCELLENT."

Mrs Sutton, teacher at The Richard Clarke First School in Abbots Bromley

MARIE CURIE CANCER CARE Once again all our businesses worked together to support the Marie Curie Great Daffodil Appeal. All of our restaurants and pubs sold daffodil pins during March and raised a grand total of £15,743 for the charity. The money raised will help Marie Curie to provide over 787 hours of nursing care to patients

ARMED FORCES DAY In June, Crown Carveries offered armed forces personnel and veterans a free carvery meal or breakfast, for the sixth year running, to mark Armed Forces Day. The brand donated a total of 2,806 meals.

#### POPPY DAY

and their families.

Our restaurants and pubs supported the Royal British Legion Poppy Appeal in November 2013 selling thousands of poppies to raise funds for thousands of serving and ex-service people.

#### ST PADDY'S POWER!

As part of a hugely successful St. Patrick's week of events in O'Neill's, each pub chose a local charity to raise funds for. In addition to this the O'Neill's brand teams also helped to do their bit by completing various challenges. In total the 45 pubs, as well as the brand teams, managed to raise more than £40,000 for good causes.

#### CARVING OUT CAREERS

Toby Carvery gave unemployed workers an opportunity to carve out new careers thanks to a new partnership with Ingeus.

# CONNECTING EMPLOYERS AND SCHOOLS

Mitchells & Butlers is working in partnership with Believe In Young People, a charity dedicated to bringing businesses and schools together, to help bridge the gap between education and employment, promoting hospitality as a viable career option.

#### NEIGHBOURHOOD REGENERATION PROJECTS

This summer saw Mitchells & Butlers' Orchid pubs division complete eight garden makeovers including creating a butterfly garden at a Children's Hospice, a RSPCA memorial garden and a therapy garden for adults with learning disabilities.

EDIBLE GARDEN PROGRAMME Orchid pubs' chefs have been going into local schools to donate kitchen garden kits ready for planting. Chefs maintain the relationships with the schools, returning to provide cookery lessons as the vegetables are harvested.

RK. CHEF SCHOOL. SPORTS. LUNCH CLUBS. SERVING THE HOMELESS. NG WOMEN. COMMUNITY. FOOD EDUCATION. INVOLVEMENT. ZENS. ENGAGING. INSPIRING. WORKING TOGETHER. NEIGHBOURS. E. LENDING A HAND. SHARING SKILLS. FUNDRAISING. CHARITY WORK.



ENERGY CHAMPIONS. HEAT RECOVERY. THINKING GREEN. REDUCING WASTE. PROTECTING THE FUTURE. CARING FOR THE ENVIRONMENT. BEING ECO-FRIE HELPING THE PLANET. REDUCING CARBON. MANAGING WASTE. BEING A SUSTAINABLE BUSINESS.



### OUR WORLD -

### The environment we all share

WE'RE FINDING WAYS TO MINIMISE OUR ENVIRONMENTAL FOOTPRINT AND TACKLE CLIMATE CHANGE. OUR COMMITMENT TO DOING OUR BIT TO LOOK AFTER OUR WORLD HAS BECOME INTEGRAL TO OUR BUSINESS STRATEGY. WE CONTINUE TO SUCCESSFULLY MANAGE OUR ENERGY, WASTE AND WATER IN A MANNER WHICH IS NOT ONLY COST-EFFECTIVE FOR THE BUSINESS, BUT REDUCES OUR IMPACT ON THE ENVIRONMENT.

#### AS A RESULT, OVER THE LAST YEAR WE HAVE:

#### CARBON FOOTPRINT

We have seen a 2.2% reduction in our greenhouse gas emissions per £million turnover.

#### ENERGY CHAMPIONS

We have dedicated energy champions in every district, around 100 in total, who drive down consumption through proactive energy management from within our businesses.

#### LIGHTING

Almost 26,000 old fluorescent light fittings were replaced with new energy efficient fluorescent fittings. This has helped us to make considerable savings on energy consumption as well as improving lighting levels for our people.

### SMART METERING

Now in almost all of our businesses.

#### HEAT RECOVERY FROM CELLARS

We have installed heat recovery units in our cellars wherever possible. This has not only allowed the recovery of heat, but also reduced maintenance costs by allowing other equipment in the cellars to operate in cooler conditions.

#### FREE AIR CELLAR COOLING

Fitted across the estate. This system draws in cool air from outside when temperatures drop below 8°C and turns off the traditional cellar cooling process, saving a huge amount of energy.

# KITCHEN EXTRACTION AUTOMATED CONTROLS

Now fitted at compatible businesses to control the extract and air supply fans to ensure that at all times they run at the lowest speed to minimise energy usage.

#### WASTE MANAGEMENT

We continue to drive successfully our waste disposal strategy, focused on reducing, re-using and effectively recycling the waste generated by our restaurants and pubs. We recycle the equivalent of 900 tonnes of cardboard, 850 tonnes of glass, 100 tonnes of plastic and 100 tonnes of aluminium every month.

#### FOOD WASTE

The food waste produced in our businesses is used to generate green electricity - we have helped produce enough electricity to provide 2,914 UK households with electricity each month, as well as saving over 462,000kg of CO2 every month. Our combined recycling initiatives divert over 90,000 tonnes from landfill every year.

#### ZERO LANDFILL TARGET

We realise that recycling and diverting waste from landfill are just the first steps towards minimising and ultimately removing waste from our estate. Therefore we have recently begun to trial new and innovative technologies to reduce the waste we produce and to actively derive value and revenue from the resources in our waste.

#### HIPPO BAGS

These simple but effective products reduce the volume of water used in each toilet flush.

#### PIR UNITS FOR WATER

We have fitted motion detection controls in urinals which reduce water wastage by managing the number of flushes.







If you have an enquiry about Mitchells & Butlers' social responsibility policies or practices then please contact:

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