

Welcome to OUR GENDER PAY GAP REPORT

December 2018




Mitchells
& Butlers
Serving with pride, since 1898

Welcome to our Gender Pay Gap Report

At Mitchells & Butlers we work hard to ensure that everyone across the organisation is treated equally.

We are committed to **attracting** and retaining the very **best talent** and believe in creating opportunities for everyone, regardless of gender.

The gender pay gap measures the difference between men and women's average hourly pay across the whole organisation, regardless of job. This is different to 'equal pay' which means that men and women who carry out the same or similar jobs roles must be paid the same. Under the UK Government's gender pay gap regulations, from April **2018** all companies with **250** or more employees must publish a gender pay report revealing average pay information for men and women.

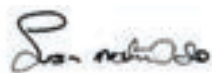
This is the second time that we have published our gender pay gap report. We're pleased to say that since **2016/17** we have seen a small decrease in both our mean and median gender pay gaps, to **7.4%** and **4.7%** respectively.

We believe that proactively focusing on equality, diversity and inclusion is our **responsibility** as an industry leader and part of our contribution to shaping a vibrant, sustainable leisure industry. As a result, we're continuing our work to build a company culture that **values** our differences and embraces them as strengths, to drive our business forward and nurture a workplace where our people can love every moment.

This report was approved and supported by Mitchells & Butlers' Chief Executive and Group HR Director.

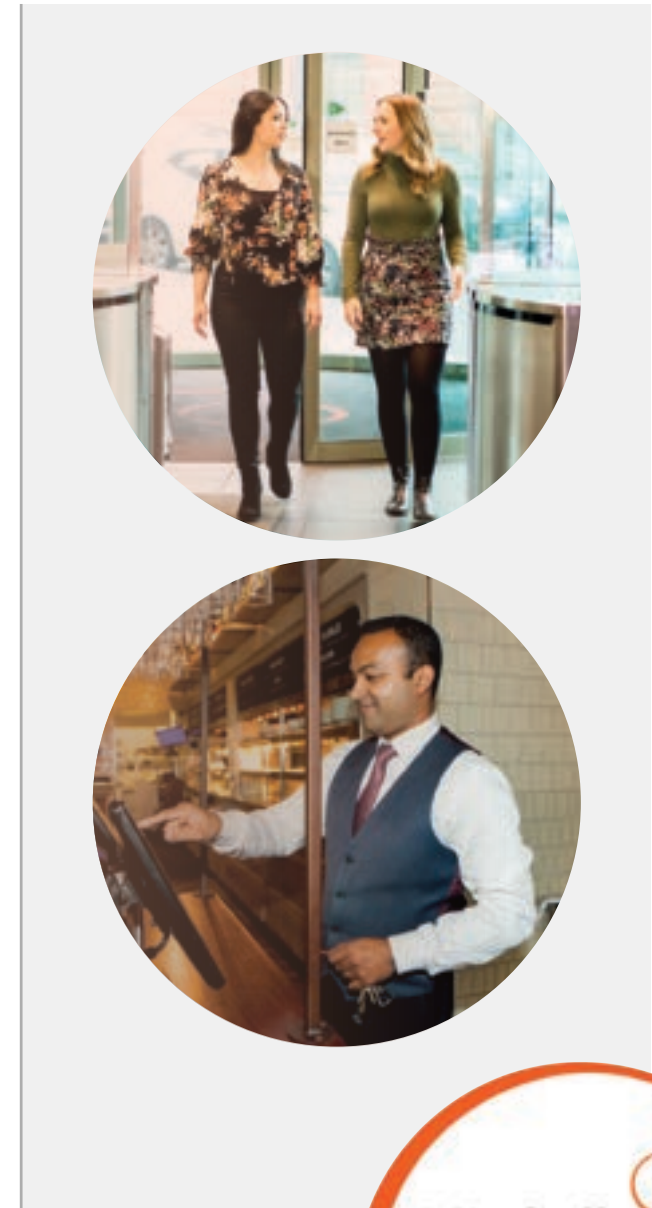


Phil Urban, Chief Executive



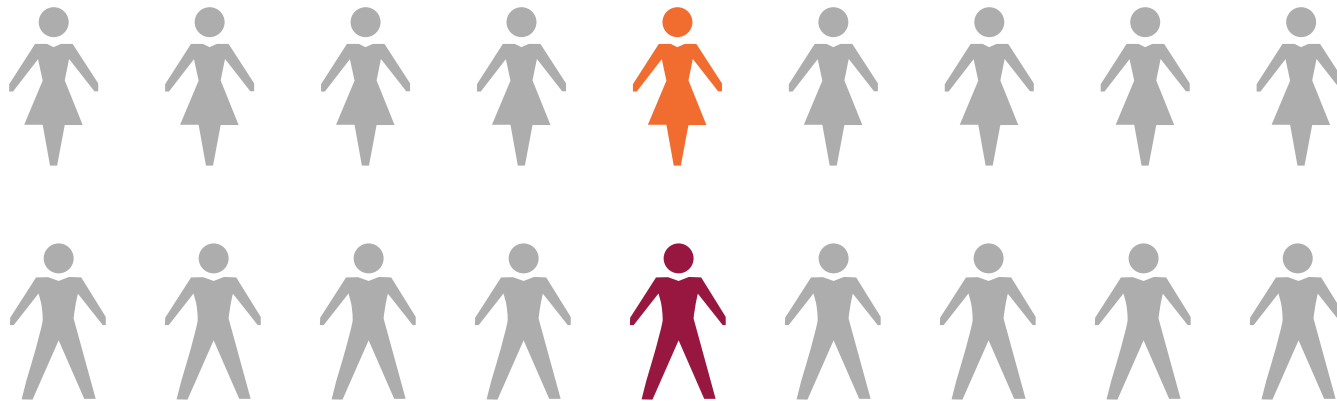
Susan Martindale, Group HR Director

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How do we measure a pay gap?

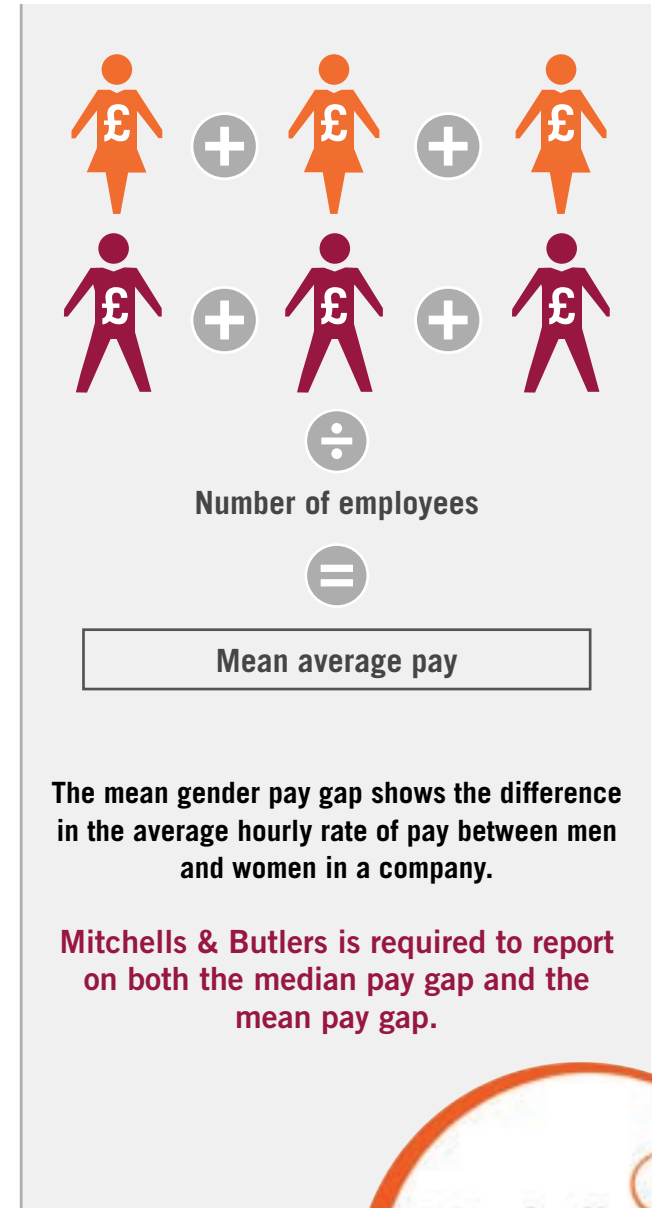
If all our employees were lined up in a female line and a male line, in order of pay from lowest to highest, the median gender pay gap compares the pay of the female in the middle of their line and the pay of the middle man.



Lowest

Median

Highest



Understanding our pay gap

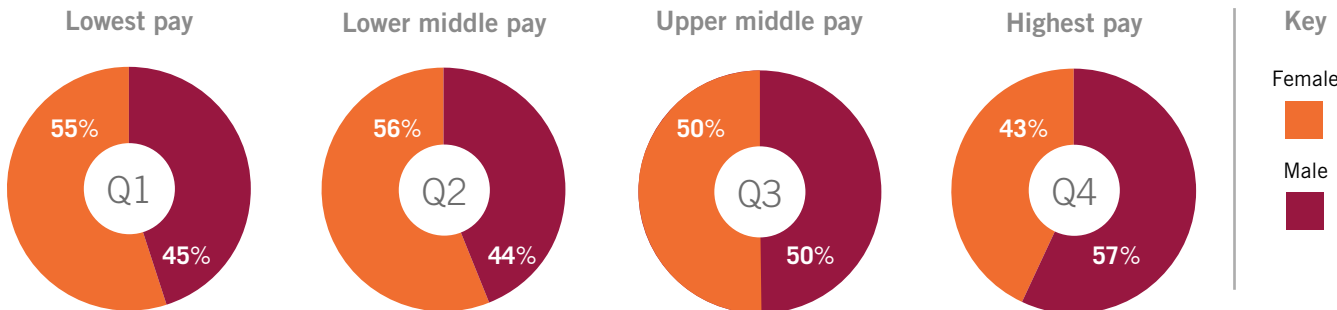
At M&B Group level, our overall median Gender Pay Gap has reduced to **4.7%**, from the **5.2%** level we reported last year. We have a mean pay gap of **7.4%**, a drop of nearly 1% on last year's gap of **8.1%**. Both of these figures comparing favourably with the national average median pay gap which stands at **18.4%** and the national average mean pay gap of **17.4%**.

The reduction in the mean pay gap is predominantly due to increases in base **pay rates** for hourly paid retail team members, where we have a higher proportion of female employees. The pay increases applicable to this group were higher in percentage terms than for more senior salaried roles and accounted for **0.4%** of the overall reduction. The remaining reduction in the pay gap is due to the impact of leavers and joiners, with new female employees joining on higher salaries than those leaving.

M&B is a well-balanced business and overall there is a broadly even split between males and females across our employee base. Our **gender pay gap** is primarily a result of there being a greater proportion of men in senior management roles, as well as in roles that attract higher salaries or **bonus** payments.

M&B Group - Pay quartiles

The M&B Group figures are based on **39,847** employees split across the quartiles:



Bonus Pay Gap

% of men and women receiving a bonus:



The M&B group level mean bonus pay gap is **38.5%** and the median bonus pay gap is **29.2%**, in favour of men. Whilst in **2017** this equates to men receiving a higher monetary bonus, overall **5.7%** more women received a bonus payment.

42.4% of M&B current senior management are women; **17.5%** higher than the **2018 FTSE 250** average of **24.9%**.

M&B remains committed to continuing to increase this as part of its established Diversity & Inclusion strategy.



How will we make a difference?

At Mitchells & Butlers we are committed to working towards closing the gap and creating an open and inclusive culture for all our people. To ensure we continue our focus on creating a diverse workforce we have been working on several initiatives:

1 We have established a Diversity & Inclusion Steering Group to develop, promote and monitor our overall diversity and inclusion agenda.

2 We are reviewing our business practices, policies and procedures to further enhance flexibility and inclusivity in the workplace.

3 We have hosted a Careers & Development Marketplace for our Retail Support Centre colleagues to ensure we are empowering our employees to understand and explore the job and training opportunities available to them.

4 We are reviewing our talent and performance review process which will upskill line managers to better manage talent.

5 We are actively promoting diversity and inclusion as part of our overall attraction strategy.



We are committed to continuing to drive our **inclusion and diversity agenda** to ensure women and men remain equally valued within Mitchells & Butlers.

We have disclosed our full gender pay gap report on our company website, which includes detail for each employing entity with over **250** employees within our Group.



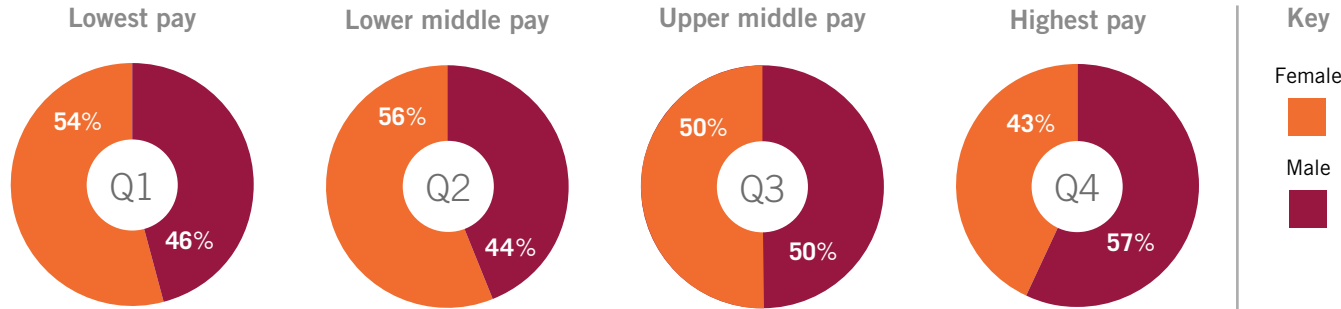


Appendices

M&B Retail Ltd

At **M&B Retail Ltd**, our overall median gender pay gap is **4.3%** in favour of men and we have a mean pay gap of **5.1%**.

Pay Quartiles:



Bonus Pay Gap

In terms of bonuses, the **M&B Retail Ltd** mean bonus pay gap is **33.6%** and the median bonus pay gap is **18.1%**, in favour of men. Whilst in **2017/18** this equates to men receiving a higher monetary bonus, overall **5.5%** more women received a bonus payment.

% of men and women receiving a bonus:

36.6% (Men)

42.1% (Women)

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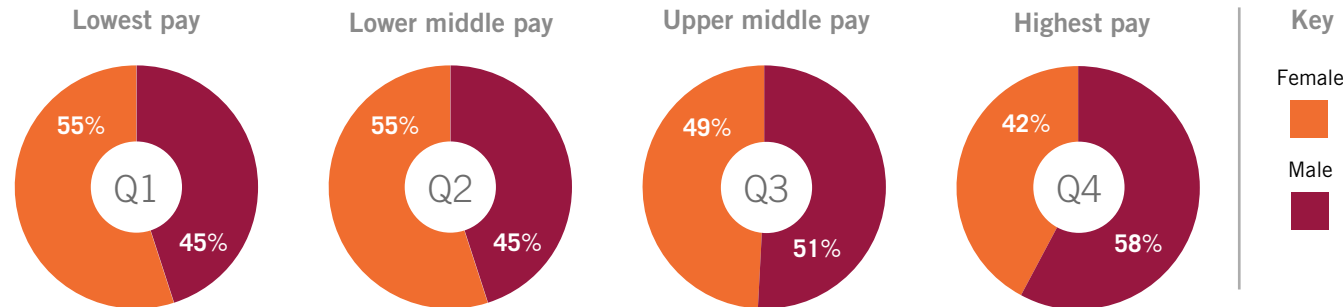
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M&B Retail (No.2) Ltd

At **M&B Retail (No.2) Ltd**, our overall median gender pay gap is **4.9%** in favour of men and we have a mean pay gap of **4.8%**.

Pay Quartiles:



Bonus Pay Gap

In terms of bonuses, the **M&B Retail (No.2) Ltd** mean bonus pay gap is **39.0%** and the median bonus pay gap is **37.3%**, in favour of men. Whilst in **2017/18** this equates to men receiving a higher monetary bonus, overall **11%** more women received a **bonus payment**.

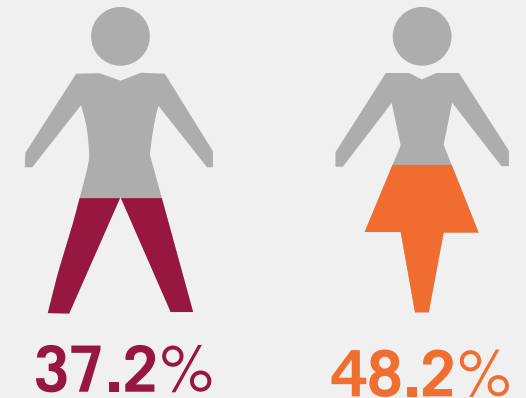
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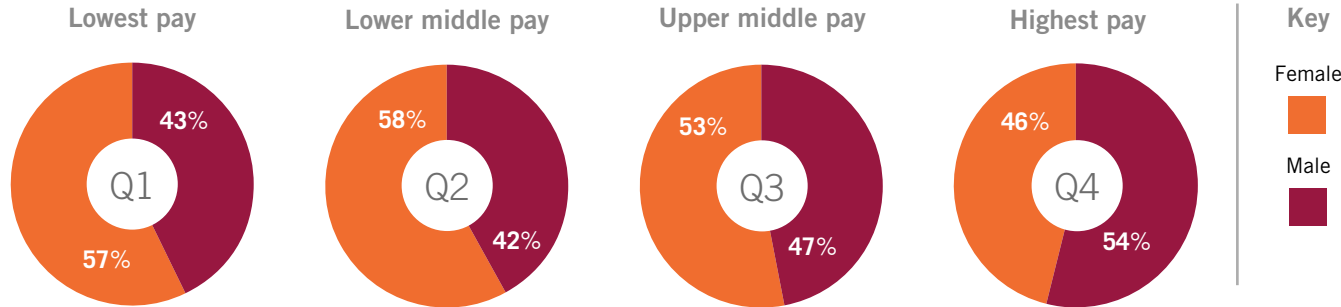
% of men and women receiving a bonus:



Orchid Pub and Dining Ltd

At **Orchid Pub** and **Dining Ltd**, our overall median gender pay gap is **3.7%** in favour of men and we have a mean pay gap of **4.4%**.

Pay Quartiles:



Bonus Pay Gap

In terms of bonuses, the **Orchid Pub** and **Dining Ltd** mean bonus pay gap is **44.1%** and the median bonus pay gap is **5.6%**, in favour of men. Whilst in **2017/18** this equates to men receiving a higher monetary bonus, overall **4.6%** more women received a bonus payment.

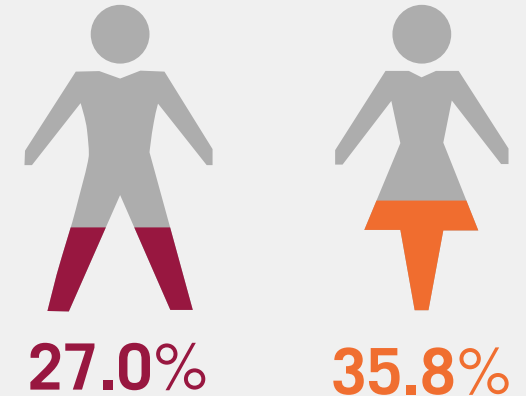
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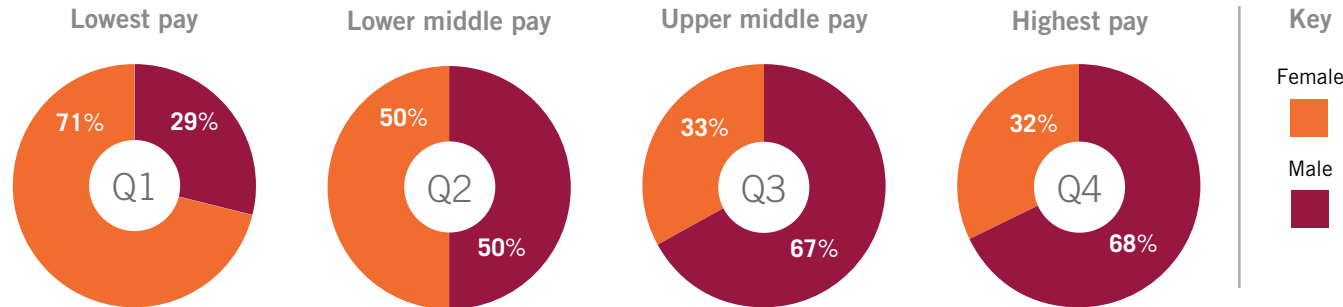
% of men and women receiving a bonus:



M&B Leisure Retail Ltd

At **M&B Leisure Retail Ltd**, our overall median gender pay gap is **29.0%** in favour of men and we have a mean pay gap of **26.3%**.

Pay Quartiles:



Bonus Pay Gap

In terms of bonuses, the **M&B Leisure Retail Ltd** mean bonus pay gap is **48.7%** and the median bonus pay gap is **41.2%**, in favour of men. Overall, **1.8%** more women received a bonus payment.

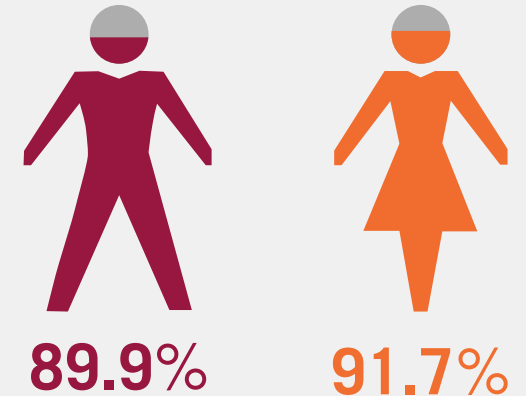
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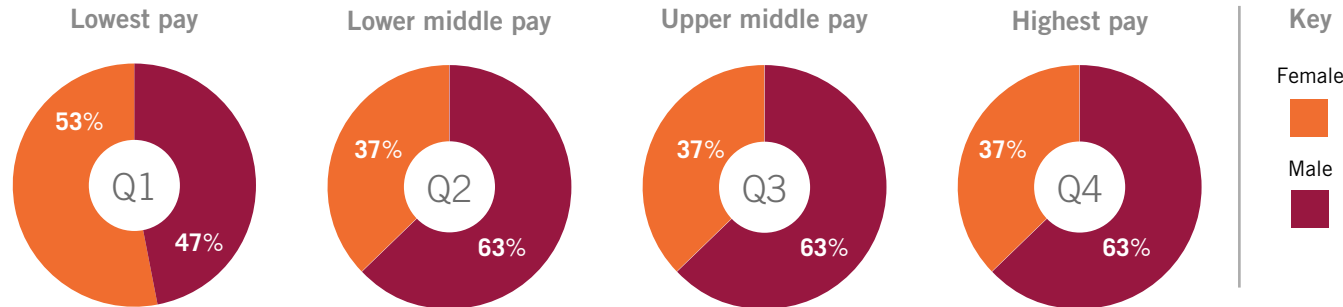
% of men and women receiving a bonus:



Ha Ha Bar & Grill Ltd

At **Ha Ha Bar & Grill Ltd**, our overall median gender pay gap is **6.3%** in favour of men and we have a mean pay gap of **7.6%**.

Pay Quartiles:



Bonus Pay Gap

In terms of bonuses, the **Ha Ha Bar & Grill Ltd** mean bonus pay gap is **-11.0%** and the median bonus pay gap is **-8.3%**, in favour of women. Overall, **5.2%** more men received a bonus payment.

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% of men and women receiving a bonus:

