



# GENDER PAY GAP REPORT

2018/2019



Mitchells  
& Butlers  
Serving with pride, since 1898



# Welcome to our Gender Pay Gap Report

At Mitchells & Butlers we are committed to supporting our people. We are proud to have a diverse, skilled and passionate workforce, and to provide an environment where their talent can thrive.

This is the third consecutive year that we've published our Gender Pay Gap report. At M&B Group level, both our median and mean Gender Pay Gaps have reduced by 2ppts since the introduction of reporting, to 3.2% and 6.1% respectively. We're pleased that not only have our pay gaps incrementally decreased year on year, but they are well below the industry average.

We view reducing our pay gap as part of cementing a culture that embraces diversity,

equality and inclusion. The measures that we're introducing will combat our pay gap, but this won't happen overnight; they are long term improvements that need time and care. During the last year we have been particularly focused on talent management – you can read more about our commitments and the initiatives we have in place on Page 5.

With the right framework in place, we can be confident that we're providing Fair Rewards to all our employees. It's a core part of our People Promise, as well as being the right thing to do. Regardless of gender or role, we provide opportunities for all our people to develop their careers with us.

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

Bob Ivell, Chief Executive

Phil Urban, Chief Executive

Susan Martindale, Group HR Director

The data in this document is accurate and in line with Government reporting regulations.

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# Measuring our pay gap

## What is a gender pay gap?

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.

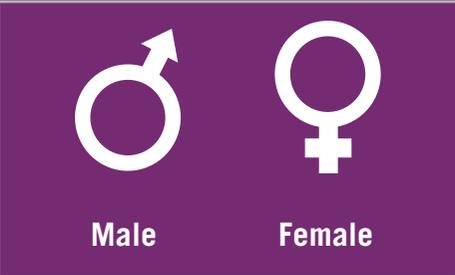
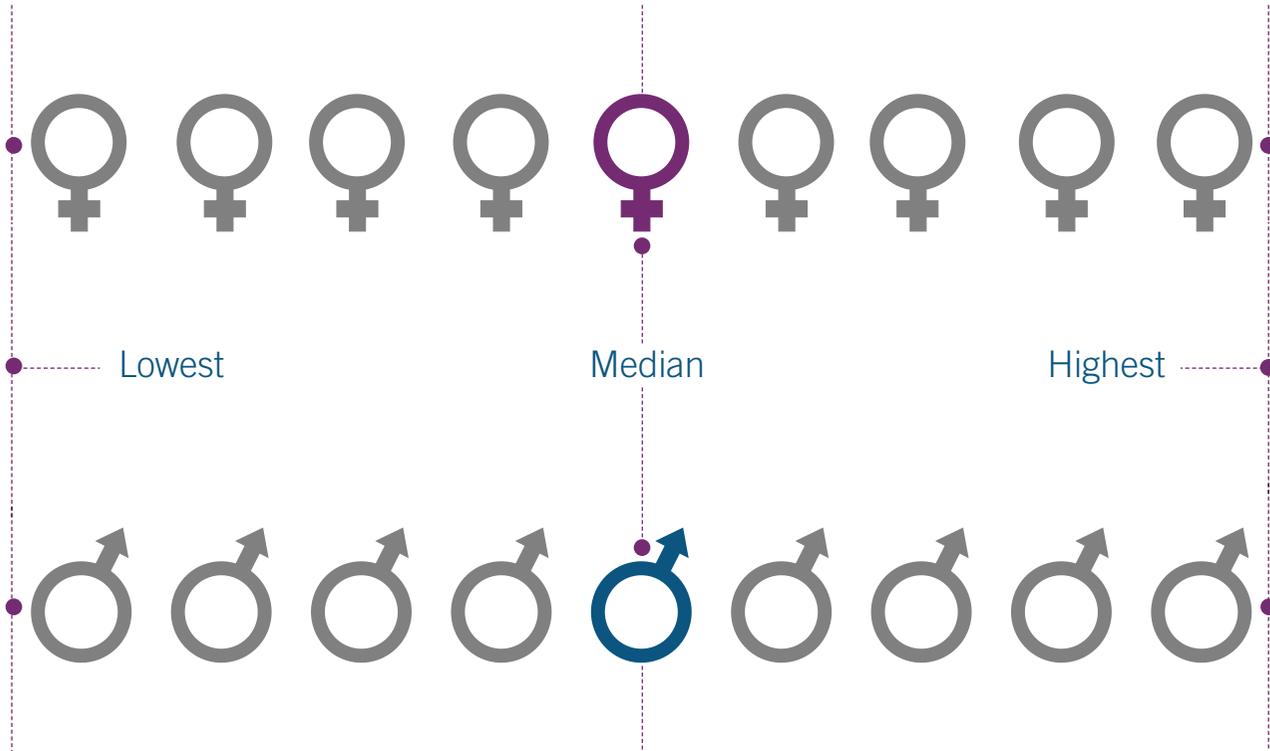
## How do we measure a pay gap?

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.

The mean gender pay gap shows the difference in the average hourly rate of pay between men and women in a company.

Mitchells & Butlers is required to report on both the median pay gap and the mean pay gap.

## How we measure a median gender pay gap



## How we measure a mean gender pay gap



Number of employees



Mean average pay

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# Understanding our pay gap

At M&B Group level, our overall median Gender Pay Gap has reduced to **3.2%**, a **2ppts** drop from the **5.2%** level we reported in our first pay gap report in 2017. Our mean pay gap is **6.1%**, which is also a drop of **2ppts** from **8.1%** in 2017.

This is a consecutive improvement, trending favourably to previous years. Our mean and median hourly pay gaps compare very favourably with the most recent UK national averages released by the Office of National Statistics (ONS) of **17.1%** and **17.9%** respectively. The M&B Group's mean pay gap is also lower than the UK national average of **8.4%** reported by ONS amongst businesses in the food and beverage service industry.

The reduction in our mean pay gap is predominantly due to bigger increases in pay for our hourly paid employees in comparison

to salaried employees, with more females in these hourly paid roles.

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 males in senior management roles, which explains their slight over-representation in the two higher paid quartiles. We have more males in roles that attract higher salaries or bonus payments.

Our mean bonus gap is **33.5%** in favour of males, which is significantly higher than our mean pay gap. A large proportion of the mean gap and the bonus gap is attributable to demographic factors (there being more males than females in roles at a higher pay grade) and outliers, which are impacting the overall numbers.

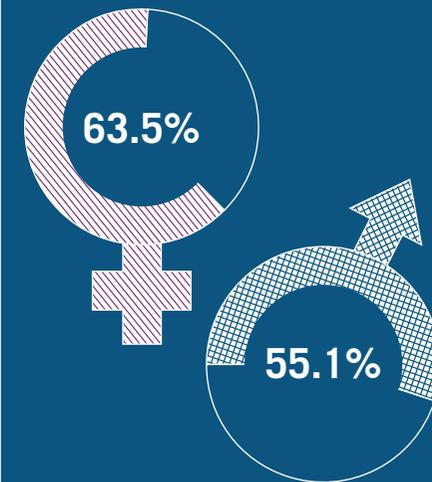
## M&B Group - Pay quartiles

The M&B Group figures are based on **38,842** 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 **33.5%** and the median bonus pay gap is **15.4%**, in favour of men. Whilst in 2018/19 this equates to men receiving a higher monetary bonus, overall **8.4%** more women received a bonus payment.

**45%** of Executive Committee Members and their direct reports are women, higher than the 2019 FTSE 250 average of **28%**.

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### Key

- Female
- Male

# Commitment to our Diversity and Inclusion agenda

We continue to drive our **inclusion** and **diversity** agenda to ensure women and men remain equally valued within **Mitchells & Butlers**. We are committed to reducing the gap by creating an **open and inclusive culture** in which all of our people can realise their full potential.

1

Our **Diversity & Inclusion** Steering Group is actively working to **develop, promote** and **monitor** our D&I agenda as part of our **increased focus on sustainability more broadly**.

2

We continue to review our **business practices, policies** and procedures to further enhance flexibility and **inclusivity** in the workplace.

3

We have launched a **new talent** and performance review process which focuses on **identifying potential** and **upskilling** line managers to **better manage** talent across the **organisation**.

4

Last year we held our **first company wide** inclusion event, which was attended by **150 employees** from across the country. The event gave us valuable **insight** and further **understanding** of how our employees felt about diversity and inclusion more broadly, we are now planning how we further develop our **strategy** in line with this.



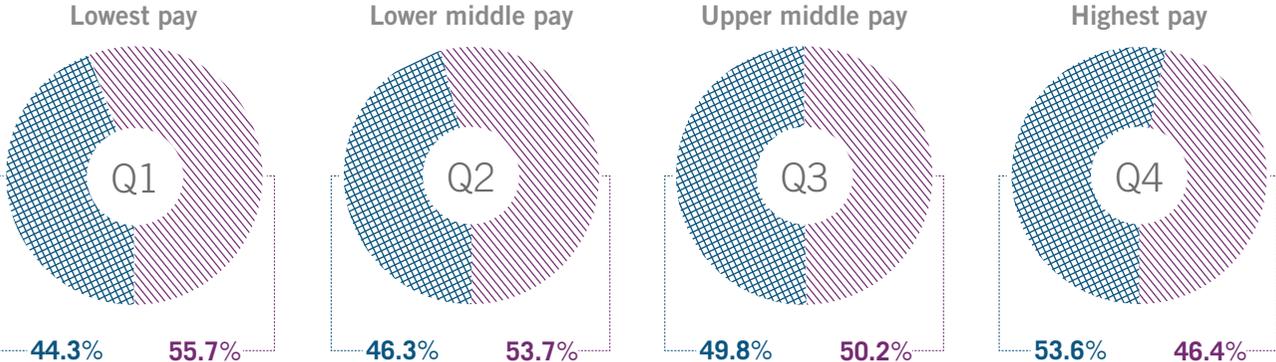


# Appendices

# M&B Retail Ltd

At **M&B Retail Ltd**, our overall median gender pay gap is **3.0%** in favour of men and we have a mean pay gap of **4.2%**.

### Pay Quartiles:



### Bonus Pay Gap

In terms of bonuses, the **M&B Retail Ltd** mean bonus pay gap is **27.7%** and the median bonus pay gap is **8.9%**, in favour of men. Whilst in **2018/19** this equates to men receiving a higher monetary bonus, overall **8.3%** more women received a bonus payment.

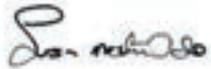
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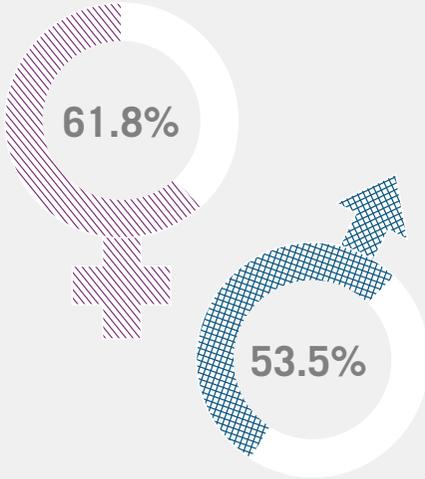


Susan Martindale, Group HR Director

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### % of men and women receiving a bonus:



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### Key

- Female (diagonal lines)
- Male (cross-hatch pattern)

# M&B Retail (No. 2) Ltd

At **M&B Retail Ltd**, our overall median gender pay gap is **3.5%** in favour of men and we have a mean pay gap of **4.3%**.

## Pay Quartiles:



## Bonus Pay Gap

In terms of bonuses, the **M&B Retail Ltd** mean bonus pay gap is **26.2%** and the median bonus pay gap is **8.0%**, in favour of men. Whilst in **2018/19** this equates to men receiving a higher monetary bonus, overall **14.8%** more women received a bonus payment.

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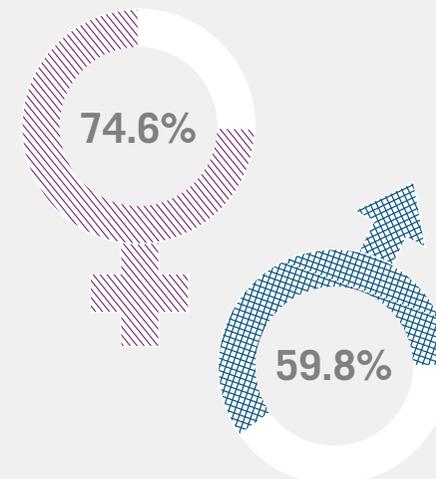
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## % of men and women receiving a bonus:



### Key

Female



Male



# Orchid Pub & Dining Ltd

At **Orchid Pub & Dining Ltd**, our overall median gender pay gap is **2.2%** in favour of men and we have a mean pay gap of **2.7%**.

## Pay Quartiles:



## Bonus Pay Gap

In terms of bonuses, the **M&B Retail Ltd** mean bonus pay gap is **22.1%** and the median bonus pay gap is **-34.1%**, in favour of women. Whilst in **2018/19** this equates to men receiving a higher monetary bonus, overall **5.3%** more women received a bonus payment.

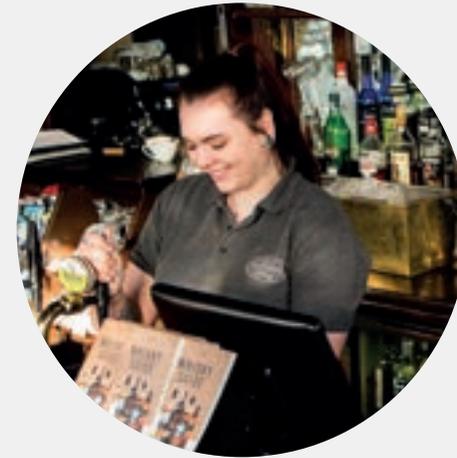
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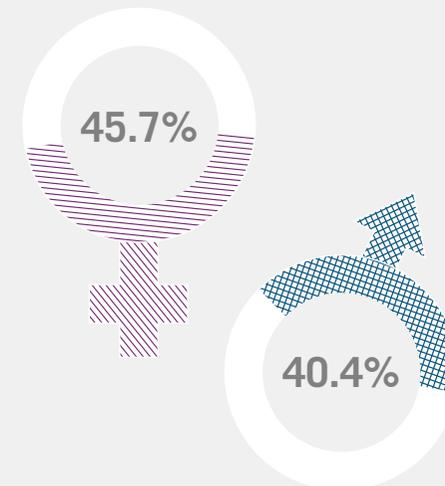
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### Key

Female



Male



# M&B Leisure Retail Ltd

At **M&B Leisure Retail Ltd**, our overall median gender pay gap is **26.1%** in favour of men and we have a mean pay gap of **23.7%**.

## Pay Quartiles:



## Bonus Pay Gap

In terms of bonuses, the **M&B Retail Ltd** mean bonus pay gap is **53.8%** and the median bonus pay gap is **47.6%**, in favour of men. Whilst in **2018/19** this equates to men receiving a higher monetary bonus and overall **1.8%** more men received a bonus payment.

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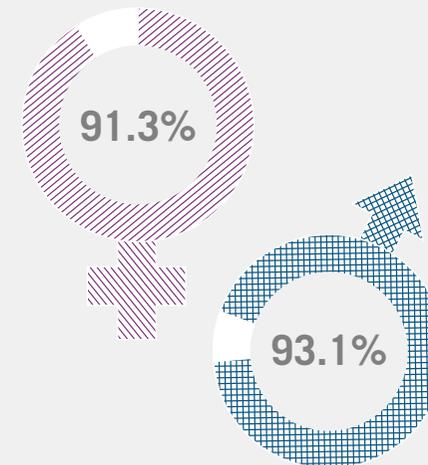
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### Key

- Female
- Male

# Ha Ha Bar & Grill Ltd

At **Ha Ha Bar & Grill Ltd**, our overall median gender pay gap is **1.5%** in favour of men and we have a mean pay gap of **2.9%**.

## Pay Quartiles:



## Bonus Pay Gap

In terms of bonuses, **the M&B Retail Ltd** mean bonus pay gap is **6.4%** and the median bonus pay gap is **7.1%**, in favour of men. Whilst in **2018/19** this equates to men receiving a higher monetary bonus and overall **1.1%** more men received a bonus payment.

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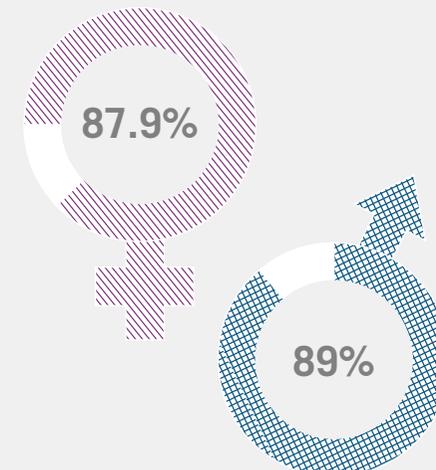
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## % of men and women receiving a bonus:



### Key

Female



Male

