

Gender Pay Gap 2023



RESTAURANTS



Introduction

At Pizza Hut Restaurants, we believe in equal opportunities for all and that pay, bonus and position should be a reflection of performance over any other factor. All our employee pay reviews are conducted against that criteria, with our restaurant team member pay also a reflection of age in line with government age bandings for national minimum wage. We are committed to creating a culture where everyone feels included, respected and free to be their authentic selves. This is underpinned by our values – Best of Me/Best of Us.

The snapshot date for this report is 5th April 2023 and covers all employees working on that date. For calculation of bonus pay gap – bonus earnings during the year 6th April 2022 to 5th April 2023 are used.



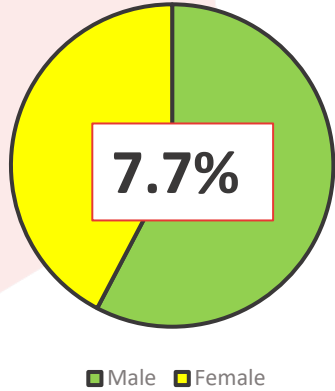
What is Gender Pay Gap reporting

- In 2017 the Government introduced new legislation which meant that all companies who have 250 employees or more must publish their Gender pay gap data. We welcomed this legislation and the focus it places on the issue of Gender Pay gap – encouraging businesses to do more to support women at all levels of their organisations.
- We acknowledge that for reporting purposes, legal regulations ask us to identify our employees as men and women however we would like to note that not everyone identifies as their legal gender status. We whole heartedly embrace and support our non-binary team members, and those who do not identify as their legal gender. We work hard to ensure that everyone feels welcome, part of the Pizza Hut family and free to be their true self.
- The gender pay gap measures the difference in the average pay of men and women across an entire organisation, regardless of role or the nature of their work, and can be the result of many factors, including the number of men and women in each role, or the total number of men and woman in the organisation.



Our Results

Mean

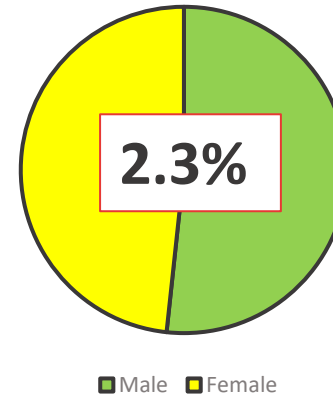


This is calculated by comparing the average pay rate of men and women at Pizza Hut (UK) Limited.

How we work this out is: we first add up the pay of all the male employees and divide this number by the total number of male employees at the company.

We then do the same thing for all the female employees. The mean Gender Pay Gap is the difference between these two figures.

Median



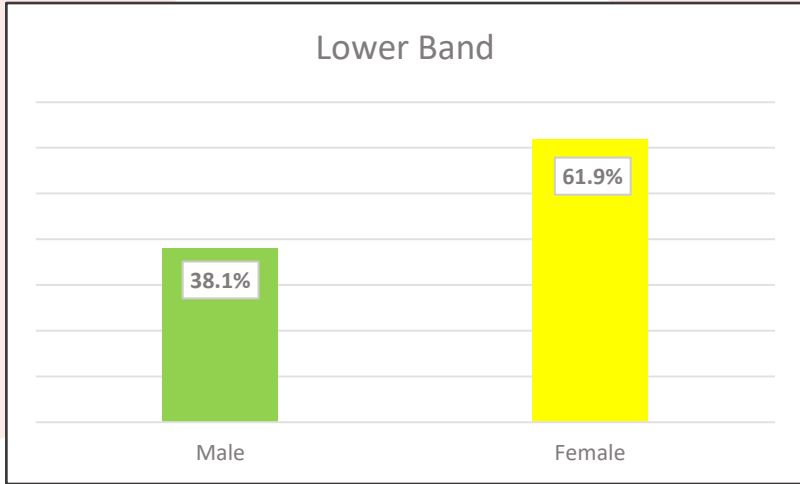
If there were two lines of employees, one of all our female employees and one of all our male employees, and each line went from the lowest paid to the highest paid, the median pay gap is the difference in pay between the middle employee in the female line, and the middle employee in the male line.

Our mean gap is 7.7% down from 9.9% last year and the median is 2.3% again a reduction vs last year's median of 3.4%.

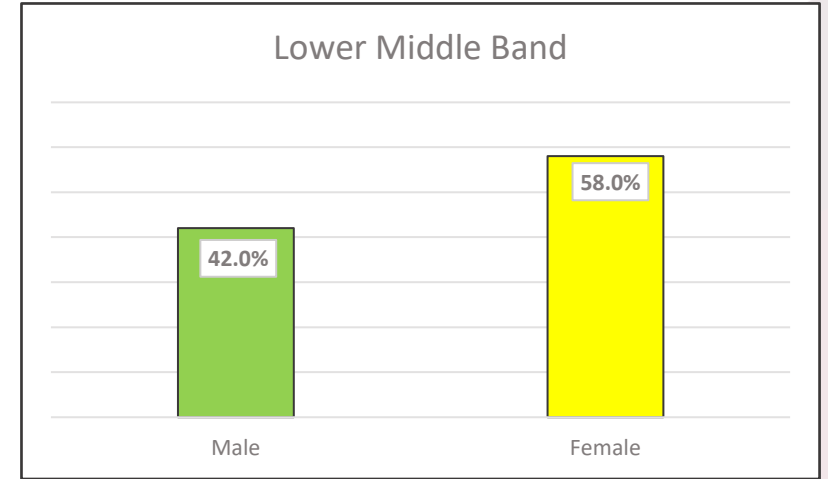
We are significantly below the average Mean Gender Pay Gap which is 13.9% and the average Median Gender Pay Gap, which is 14.9% for the UK as a whole (according to the Office for National Statistics dataset published 11th November 2022).



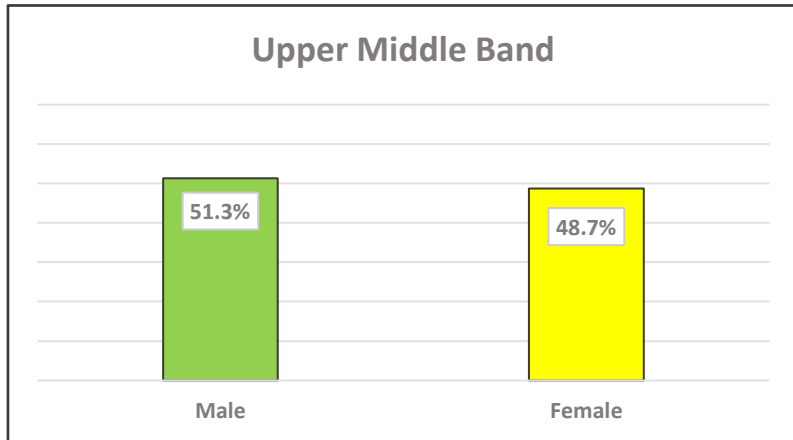
Pay Quartiles



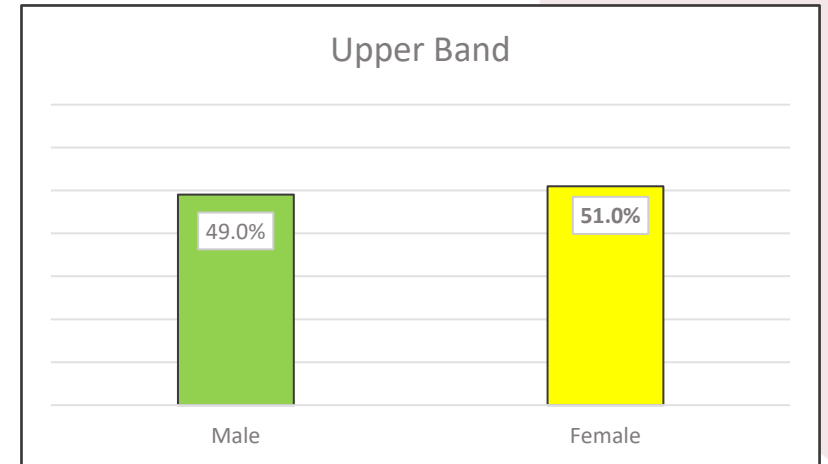
Our pay quartiles are calculated by listing every employee from the highest to the lowest paid. This is then split into four equal groups, and we look at the proportion of males and females in each group.



We have significantly more females under the age of 18 applying for, and working in our entry level positions such as server which has impacted the profile of both the lower and lower middle quartiles.

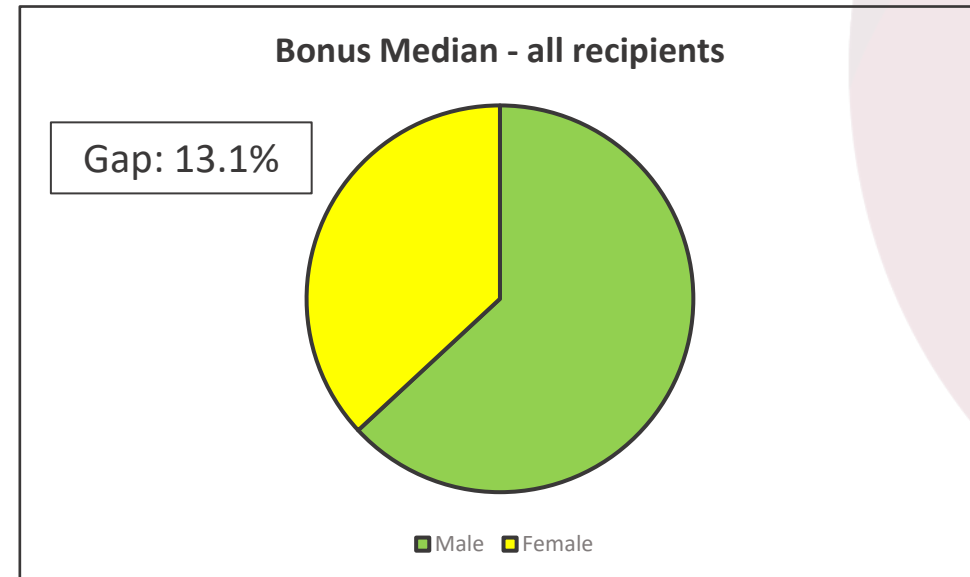
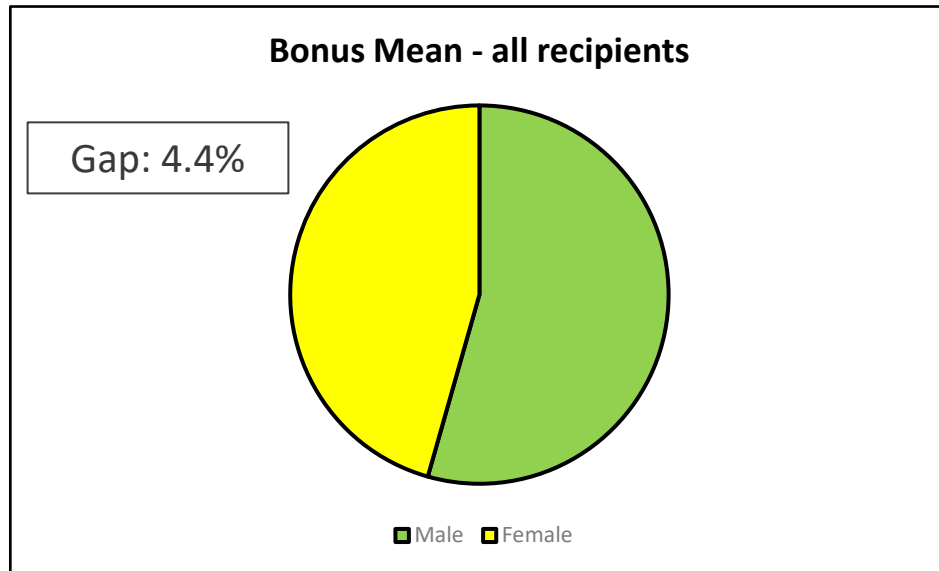


Our upper middle and upper pay bands are very close to a 50/50 gender split, with a slight leaning to more female employees in the upper middle and more male employees in the upper bands. We have more females working in our head office roles than males.



Bonus Pay Gap (BPG)

- Bonus is calculated on business performance with no gender consideration taken into account. The calculation for 2022/2023 year was based 100% on the profit performance of each individual restaurant against pre-defined targets. Employees become eligible for bonus once they reach restaurant Management level.
- Head office bonus for the year was a discretionary bonus calculated as a percentage of salary.
- Across both mean and median bonus pay gaps we have seen a reduction year on year.



Understanding the pay gap

From our pay gap figures and analysis as of April 2023 we know that:

55% of our total workforce (3614) are female. However we know that our entry roles are attracting a higher proportion of females aged under 18 with 61% of all team members in this age group being female. Our team member pay rates are in line with government pay and age bandings so this distribution has a bearing on our pay gap.

57% of our shift manager are female which is positive – this is an entry level management role. However 44% of our deputy managers are female and 39% of RGMs are female so we are seeing more males than females take on these restaurant management roles. Work continues in understanding this gap and a number of initiatives including promoting our flexible working options (e.g compressed hours, fixed shifts) are underway. We have a good take-up of part-time working following maternity leave.

58% of our head office are female and we are pleased to report progress in female representation at senior leadership level with 53% being female.

Future focus:

- Continue to increase female representation at all levels of our restaurant management teams – particularly at the deputy manager role which provides a pipeline to RGM.
- Focus on female succession planning within our high PSA restaurants
- Continue our supportive programmes for flexible working, mental health and wellbeing, those with new caring responsibilities and those who are going through the menopause.
- Introduce a mentoring programme aimed at developing female leaders.



Chief People & Marketing Officer

