

Gender Pay Gap 2022



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

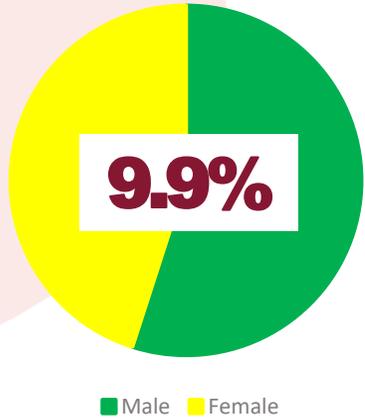
The snapshot date for this report is 5th April 2022 and covers all employees working on that date. For calculation of bonus pay gap – bonus earnings during the year 6th April 2021 to 5th April 2022 are used. During this period our business continued to be impacted by lockdowns and restrictions due to COVID-19. We also closed 26 restaurants due to the economic challenges brought on by the pandemic. These factors have had an adverse impact on our reported numbers.

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

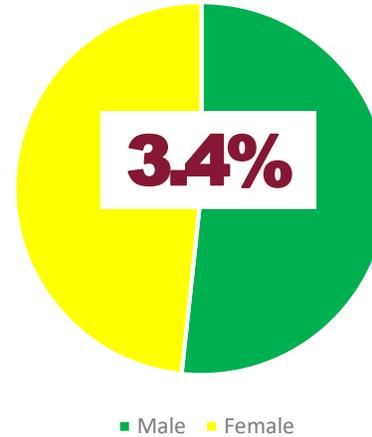


This is calculated by comparing the average pay rate of men and women at Pizza Hut (UK) Limited.

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

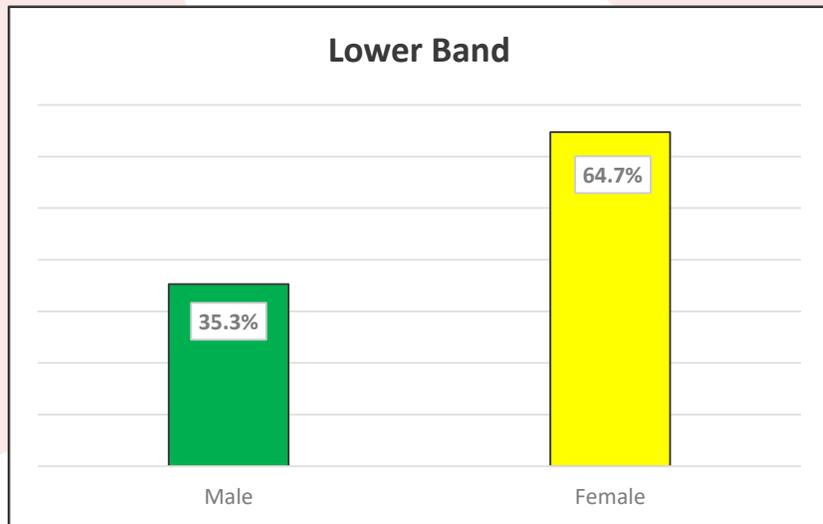


If there were two lines of employees, one of all our female employees and one of all our male employees, and each line went from the lowest paid to the highest paid, the median pay gap is the difference in pay between the middle employee in the female line, and the middle employee in the male line.

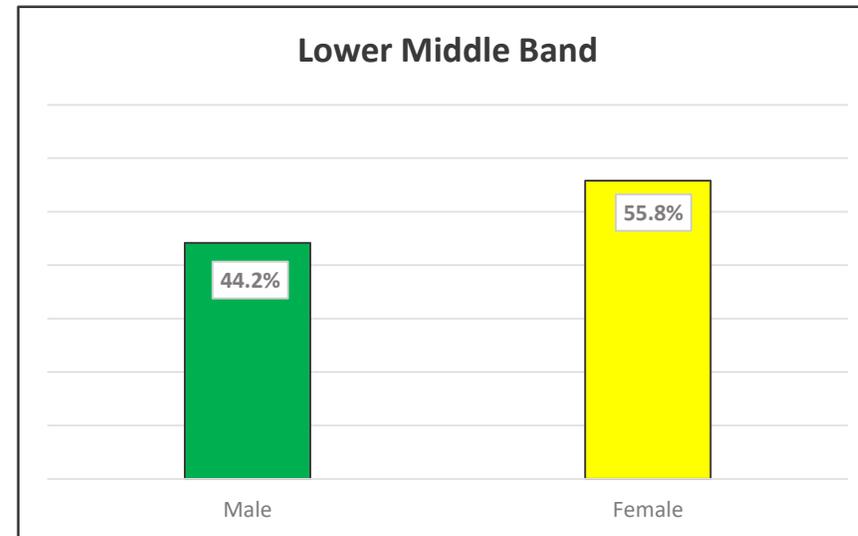
Our mean gap is 9.9% and the median is 3.4%. This is predominately because our team member population makes up 85% of our total workforce and we continue to see a higher proportion of applications for our team member roles being from younger female candidates.

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)

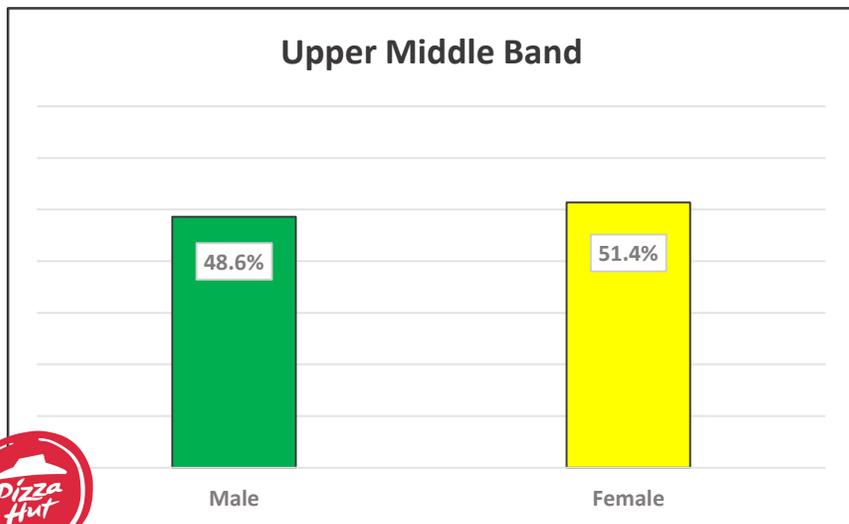
Pay Quartiles



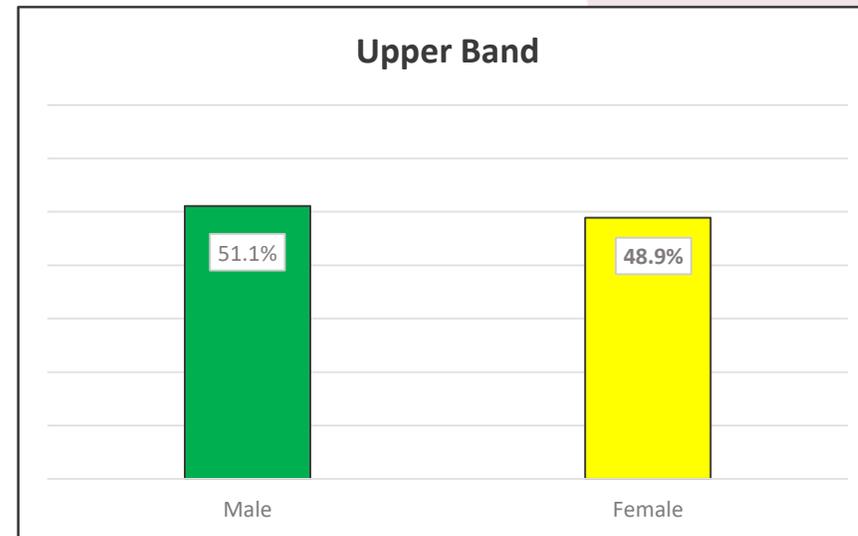
Our pay quartiles are calculated by listing every employee from the highest to the lowest paid. This is then split into four equal groups, and we look at the proportion of males and females in each group.



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 gender breakdown in both the lower and lower middle quartiles.

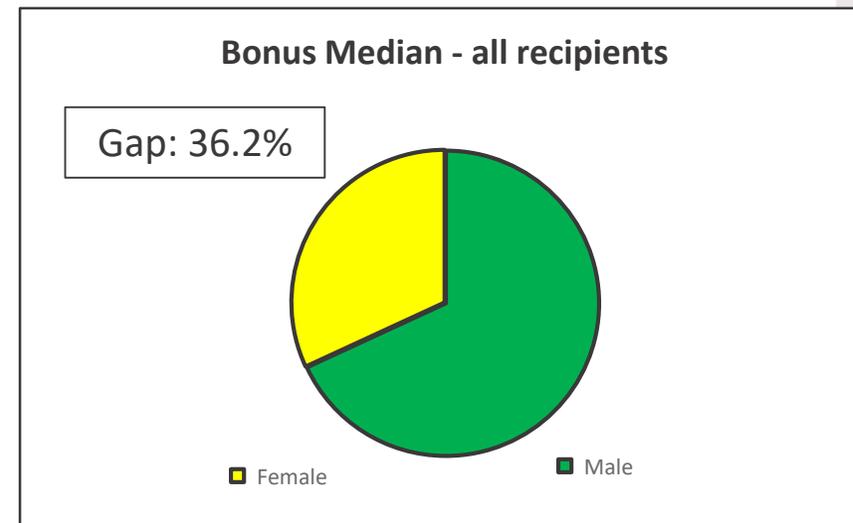
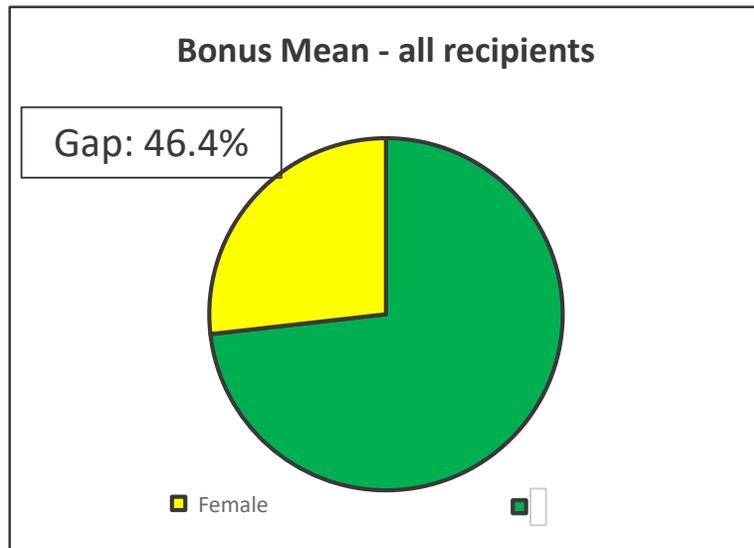


Our upper middle and upper pay bands are very close to a 50/50 gender split, with a slight leaning to more female employees in the upper middle and more male employees in the upper bands. We have more females working in our head office roles than males.



Bonus Pay Gap (BPG)

- For the year 2021/2022 our normal bonus schemes were suspended due to the business being in various stages of lockdown and restrictions due to COVID-19. However in the final 3 months of the bonus year, we introduced an incentive for our restaurant management teams which enabled them to earn a % of sales generated in their restaurant. For our head office teams normal bonus was also suspended in the BPG year for all employees other than our operations leadership team who were awarded a bonus based on % of salary
- Our bonus pay gap is to some extent impacted by more males in higher performing restaurants and by a reduction of females in a general management role as a result of closures where more females held these roles than males. At head office level our bonus pay gap was slightly in favour of females (-2.7% mean / 0% median)



Understanding the pay gap

From our pay gap figures and analysis as of April 2022 we know that:

- More females are hired into our hourly paid roles than males. 61% of our hourly paid team that are under 23's are female, and 66% of our under 18s are female. Whilst our pay structure is gender blind it is also in line with the government age pay bands. As the hourly paid population make up 85% of our total employee base, the % of our hourly paid under 23's being female, has an impact on the median Gender Pay Gap.
- We have made a little progress in the proportion of females in our management teams overall, with now 43% of our total managers are female. However, we have also seen a reduction in the proportion of females in our more senior Restaurant General Managers (RGMs) roles with a 3% decrease since April 2021, now the proportion of female RGMs stands at 39%. Although this is a decrease over last year, it is up 5% since April 2020. This decrease has been driven in part by some store closures which happened since the last report, 69% of the managers who were unfortunately made redundant because of the closures were female
- Our female Deputy Managers have increased from 40% to 42%, and our entry level management position has also had an increase in females from 44% in 2021 to 49% in 2022.
- We offer part-time, remote working, and hybrid working for our head office teams. Now all of our head office employees have a hybrid working pattern, with no one being required to work from the office every day. Our head office team is now made up of 54% female and 46% male.

Future focus: We recognise that we need to:

- Continue to increase female representation at all levels of our restaurant management teams. We have made significant progress in attracting females to our entry level role with an increase of 15% since 2020.
- Although we offer enhanced maternity, paternity and parental leave along with flexible working patterns and working practices, which include both part time Restaurant General Manager and Deputy Manager positions, we need to promote this more in our career pathways.
- We have seen a small increase of 1% of part-time managers in our Deputy Manager and Restaurant General Manager roles since 2020, however acknowledge that we need to do more to promote this and remove the templates that hospitality has around working patterns.



Chief People & Marketing Officer