

Pizza Hut Delivery (registered as Yum! III) Gender Pay Gap Reporting April 2019



WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference in average pay between men and woman across an organisation, regardless of their role. Discrepancy in pay between men and women may be for a variety of reasons including, the number of women and men in each role or the number of men and women across the business.

Gender Pay reporting applies to all UK companies with over 250 employees. It involves ranking employees by their average hourly pay and then splitting them into four equal quartiles – Lower, Lower Middle, Upper Middle and Upper.

ABOUT PIZZA HUT IN THE UK

Pizza Hut is the largest pizza company in the world with around 18,400 Huts across over 100 countries, operating as a franchise model. In the UK, Pizza Hut is two separate businesses – the Pizza Hut Restaurants business (Pizza Hut UK Ltd) will submit their Gender Pay figures separately.

Pizza Hut Delivery (registered as Yum! III) which this document refers to, operates over 400 Huts, with around 70 franchise partners, of varying size.

Therefore, Pizza Hut Delivery is required to submit data from the 39 Pizza Hut Delivery stores that are company owned. Franchises with over 250 employees are required to submit their own data. Our data includes employees across four categories: Driver/Bike Rider, Team Member, Manager and Restaurant Support Centre (RSC) employees.

PIZZA HUT'S APPROACH TO EQUALITY

Pizza Hut is committed to building an inclusive culture among our employees, franchisees, and suppliers across gender, ethnicity, race, religion, age, sexual orientation and professional background to reflect the diversity of our customers.

Gender equality is incredibly important to our business. We are committed to ensuring that women and men are given equal opportunities to reflect their skills and performance when it comes to pay, recruitment, promotions and development.

We pay Team Members the National Minimum Wage based on their age. Drivers and Shift Manager roles are paid at a higher hourly rate in order for us to remain competitive in the market. We review pay rates annually and benchmark them against our competitors.

Restaurant General Managers (RGMs) and RSC salaries are determined by bench marking roles against similar positions at comparable organisations. We follow a robust, calibrated annual pay review and bonus system which is business and individual performance based.

OUR RESULTS



EXPLAINING THE GENDER PAY GAP

80% of our employee population work within two job types, Drivers and Team Members. 47% of our employees are in Driver roles, 95% of these employees are male. Team Member roles make up 33% of our employee population, 56% of these employees are female. All roles are open to male and female applicants however we see a significant gap in the number of females versus males applying for Driver /Bike Rider roles. The difference explains the salary discrepancy between men and women. This is because Drivers positions are paid at a higher hourly rate than Team Member roles.

The Upper quartile results include hourly paid Drivers and Shift Managers, salaried RGMs and salaried RSC employees. Within the Shift Manager and RGM roles 29% of employees are women. At the RSC women make up 42% of the employee population.

Since 2017 we have seen a decrease in the mean hourly rate for women which has dropped from 3.2% higher than men to 1.7% lower. During 2018, the business reduced its equity footprint by re-franchising stores. This has resulted in a reduction in employee headcount. We believe the change in mean hourly rate is as a result of the changing workforce demographic year on year.

JOB ROLE SPLIT

Manager

RSC

Team Member

Driver /
Bike Rider





BONUS EXPLAINED

The reported difference in mean bonus pay between men and women is 16.1%. We have broken this down in the table below:

Bonus	Female	Male	
Median	£631.05	£482.92	<i>-31% gap</i>
Mean	£838.09	£721.99	<i>-16% gap</i>

EMPLOYEES WHO RECEIVED BONUS PAY %

Female	Male
11.6	10.4

Whilst more men are in bonus eligible positions, the percentage of men receiving bonus was lower than the percentage of women. Shift Manager and RGM bonus is calculated based on a combination of individual and store performance. RSC team member performance is calculated based on a combination of individual and business performance. The difference in mean bonus payment within this population was -0.43%.

GOING FORWARD

We welcome the gender pay gap report and the focus it brings on achieving gender equality. We will use the insights from this work to continue to focus on how we attract, select and develop a strong and balanced talent pool for our business.

Neil Manhas

General Manager

Katie Mellor

Chief Capability and Culture Officer