



**2020 GENDER
PAY GAP
REPORT**

OUR
INCREDIBLE
DIFFERENCES

ODEON[®]



WELCOME

Our colleagues are at the heart of our business. At ODEON Cinemas we want to attract, nurture and retain the best diverse talent.

Our strategy, '**Our Incredible Differences**', brings together all the elements of our inclusion, diversity and equality work, aiming to recognise and celebrate our differences and champion inclusion for everyone. This helps us better reflect the communities in which we live and work, and in building a culture where everyone feels confident and empowered to bring their whole selves to work and where they feel they belong.

As part of this commitment, we're working to close our gender pay gap. In the Financial Year 2019/20, we continued to support, stretch and promote women across all levels of our business, making a particular impact in terms of middle and senior management level numbers and pay. This has had a positive effect on our gender pay gap.

However, we still have a relative imbalance of women in our most senior leadership positions, and particularly in some of the technical roles and specialist support teams. Unfortunately, this in combination with other factors, has affected our gender bonus gap negatively for the year.

We understand why we have a gender pay gap and we're working on eliminating it. Change doesn't happen overnight, but we're using our data, insights from our colleagues and the best practice and success we see across the UK to move forward with more urgency and action. The COVID-19 pandemic has accelerated some much-needed changes to supporting a better work-life balance for all colleagues, and we're doing all we can to ensure this has a positive impact on our efforts.

We have come a long way on our road towards gender parity and fairness in the last few years, driven by the passion and support of colleagues at all levels of our business. We remain focused on continuing to move this forward.



AN EXPLANATORY NOTE

The gender pay gap is the average difference between pay for men and women. UK organisations with over 250 people have to report their number (shown as a percentage). The calculation doesn't directly compare men and women doing the same job but is more a measure of whether both are equally distributed across levels of seniority.

Our 2020 Gender Pay Gap report is for "ODEON UK" (a combination of ODEON Cinemas Ltd and United Cinemas International (UK) Ltd). As in 2019, we have published individual separate reports for ODEON Cinemas Ltd and United Cinemas International (UK) Ltd on the UK Gender Pay Gap Service website and at the end of this report. We have also produced combined figures to represent our UK team as a whole.

Our business operates as one team across the UK. Having two employment entities (United Cinemas International UK Ltd and ODEON Cinemas Ltd) has made no difference to the way we operate, but it has clouded the transparency of our gender pay gap reporting. For example, in this 2020 report, the results for ODEON Cinemas Ltd give an inaccurate reflection of our results across the wider UK team.

Since the last report, we have added all new starters into the ODEON Cinemas Ltd entity, but continue to report as the two entities and share a combined picture here for clarity.

The information in this report is in line with UK Government requirements and accurate as at 4 April 2020.

OUR 2020 COMBINED RESULTS FOR “ODEON UK”

We are pleased to report that, at 8% in 2020, we have a 1.3% decrease in our mean gender pay gap. Our median is 1%, up from 0% last year.

The difference remains greater in the upper quartiles because there are proportionately more men in the senior roles, but this continues to reduce as we employ, develop and promote more women into leadership roles.

This progress has meant we saw a:

- 5% reduction in our pay gap for middle management level roles
- 3% decrease at director level (not including our executive team)
- 2% increase in overall numbers of women at all levels of management

Gender pay gap

Pay - hourly rate

Difference between men & women

2020	8	% Mean	1	% Median
2019	9.3	% Mean	0	% Median

OUR 2020 COMBINED RESULTS FOR “ODEON UK”

We did see bonus coverage remain on par for women and men. However, our bonus pay gap rose to 50.2%, with a median of 31.7%. This is the result of a combination of factors, including the larger proportion of men at the very top levels with greater variable pay, some key people changes at senior levels during the year, and strong bonus payouts through our various schemes due to the successful year in company performance.

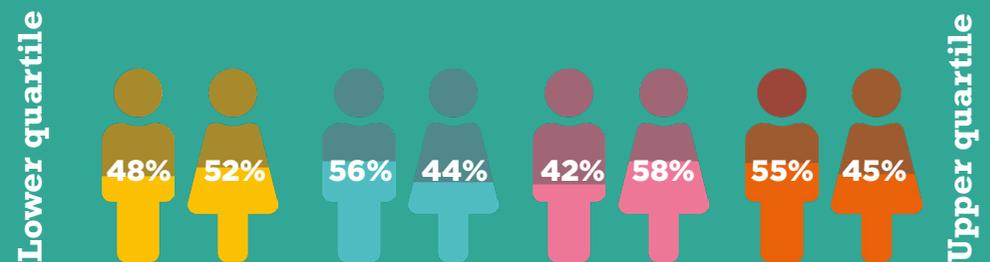
Across our UK business, our biggest opportunity to continue closing pay and bonus gaps is through encouraging and promoting more women in our business. This work is gaining momentum, with 9% more women in our upper-mid (third) quartile pay bracket in 2020 compared with 2019. Also, across the top two quartiles we now have more women than men overall. This is building a strong talent pipeline for our more senior roles in the uppermost quartile.

Gender bonus pay gap

Bonus pay

Difference between men & women

2020	50.2%	Mean	31.7%	Median
2019	36.3%	Mean	15.4%	Median



Proportion of male & female colleagues in each pay quartile. Each quartile contains approximately 1400 employees.

WORKING TOWARDS A GENDER-BALANCED WORKFORCE

People are at the heart of our business and at the heart of 'Our Incredible Differences', our diversity and inclusion strategy. What we're building with Our Incredible Differences is a culture that celebrates our differences and is inclusive for everyone who works here:

- In a truly inclusive culture every one feels supported and valued, with equal opportunities to develop ourselves and shape our careers
- It's an aim we care deeply about as individuals and makes good business sense
- It ensures the right people in every role, which will help us deliver our best results

We have not let the pandemic distract us from our determination to tackle the gender pay gap as we work towards a more gender-balanced workforce. Our response continues to focus on these main areas: recruitment and attraction, celebration and recognition, retention and development, and internal progression.

Recruitment and attraction

- We collaborated with external partners, including attending a women's returners programme resulting in recruiting a role into our Commercial team and a mentoring relationship with a colleague wanting to return to work
- We're committed to offering part-time and flexible working roles where possible
- **62%** of external management hires during this period were women

Celebration and recognition

We've celebrated our women far more as part of our approach to enhancing visibility of successful female career stories. Women want to see role models to aspire to and we're working hard to provide more opportunities.

- In 2019, we showcased some of our amazing women in what are often traditionally male-dominated fields, participating with Women In Tech for the first time
- Over the last two years, 12 of our leaders were featured in Celluloid Junkie's Top 50 Women in Global Cinema and in WiHTL's Women to Watch lists

- We were awarded first place in the North West Finance Awards for diversity
- We placed greater focus on celebrating and supporting LGBTQ+ colleagues with Pride events, charity activities and hearing personal accounts from colleagues
- In celebration of International Women's Day, we featured profiles of some of our future senior leaders across our UK and wider European business.

Retention and development

The COVID-19 pandemic really brought home how important it is that we continue to support, communicate and engage with all our colleagues as individuals. In 2020, in addition to our continued focus on gender balance we also prioritised our focus on wellbeing, equality and inclusion and we placed a much stronger emphasis on ethnicity inclusion.

- We refreshed our diversity and inclusion strategy, Our Incredible Differences to align with our '**Be Well**' wellbeing pillars, supporting mental health in particular
- We kept in touch with furloughed and working colleagues, maintaining a level of engagement that enabled them to feel included, supported and less isolated

- Our ethnicity work included creating stronger internal communities and openly communicating with our colleagues to educate and help prevent unconscious bias
- We will push further by reviewing our People policies to remove any unintended bias and build on our existing base so that everyone feels valued and included
- We further strengthened our relationship with external partners to ensure we are learning from others and focusing on the right areas to continue our support, celebration and development of our diverse colleagues and share best practice with other companies
- We know caring responsibilities during the pandemic have fallen more on women generally, and we've been working fully flexibly to accommodate personal commitments
- To help all our colleagues with the challenge of homeschooling, we created a group on our internal social media platform, to share tips, ideas and occasional frustrations
- We will continue to hold events and panel discussions to offer support, encourage and guidance to women across our business

Internal progression

We remain focused on developing and progressing our female colleagues as current and future leaders.

- We continue to focus on mentoring for women by building internal programmes and supporting external mentoring relationships, programmes and workshops
- Our Ultimate Heroes model enables managers to identify our top talent for succession planning
- Our recovery plan out of the pandemic has provided some stretch roles and opportunities for colleagues
- During the pay gap window (April 2019 - April 2020), **55%** of internal promotions to management were women. Year-on-year small increases like this contribute to our increasing pay gap parity at middle management and the strengthening of our female talent pipeline for our highest levels

2020 has been incredibly challenging and we have taken great care to ensure equity in our decisions around furlough and working hours.

The pandemic has allowed us to better understand and accept how we all have to juggle different priorities in our personal lives, which is a step towards overcoming some of the barriers women face.

Over the last four years we've made some huge changes in our processes, policies and approach. Ensuring fairness and parity for all our colleagues is part of our planning and decision making process and underpins our People strategies. We understand the importance of this and we are committed to moving this forward in every way we can. We will continue to work on our priorities and look forward to reporting further progress.

Mark Way

Managing Director, ODEON Cinemas Group
March 2021

Carol Welch

Managing Director, UK & Ireland
March 2021