

Starbucks Coffee Company UK Ltd
Gender Pay Gap Report 2019



Message from Carol Muldoon

vp Partner Resources, Starbucks Europe, Middle East and Africa



Carol Muldoon

At Starbucks, creating a warm and welcoming environment where everyone can thrive is at the heart of everything we do. It's because we are driven by our mission: *to inspire and nurture the human spirit one person, one cup and one neighbourhood at a time.*

This document looks at the gender pay gap across more than 4,800 partners at Starbucks UK Ltd (the term we use for 'employees' as we all have shares in the business). It uses the criteria specified as part of the Gender Pay Gap legislation, under the Equality Act 2010.

For the purposes of this report our gender pay gap is calculated using the approach required by the regulations, which compares the pay of males and females. We are encouraged that our figures mirror those we reported last year and show that across our UK partners there is a 0% median pay gap between men and women.

In the past year, we have also made progress bringing the mean pay gap down in our business. This figure is 4%, down from 5% last year. We also have a fairly even proportion of men and women across different levels within our business – and more women represented in the senior leadership quartile (62%).

We have seen an increase in the median gender bonus gap this year, rising from 15% to 26%, this primarily due to the fact the bonus is relative to business performance, which was stronger in 2018-19 than the previous year.

However we know that there is always more that we can do to support women into senior positions. This year we've continued to run a Women's Leadership Network, providing top talent with the opportunity to hear from external speakers on topics to aid their career development and also providing networking opportunities.

We are committed to helping every partner reach their full potential, and look forward to continuing to push forward as a business and hold ourselves accountable.

Carol Muldoon

What is gender pay gap reporting?

UK gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

There are six calculations:

- 1 Mean gender pay gap (this number is the average)
- 2 Median gender pay gap (halfway point between the highest and lowest pay)
- 3 Mean bonus gender pay gap
- 4 Median bonus gender pay gap
- 5 Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- 6 Proportion of males and females when divided into four groups ordered from lowest to highest pay

Understanding mean and median gender paygap:

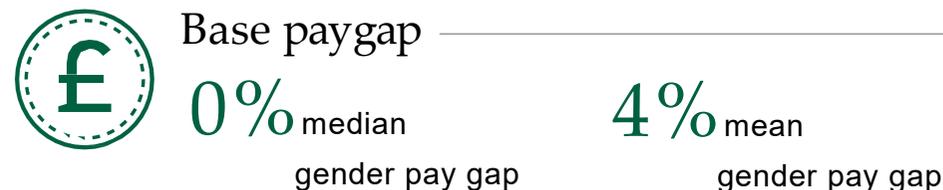
The mean gender pay gap shows the percentage difference in average pay between men and women across the business.

The median gender pay gap is the percentage difference when we compare the middle point of all female partner salaries in our business and all male partner salaries.

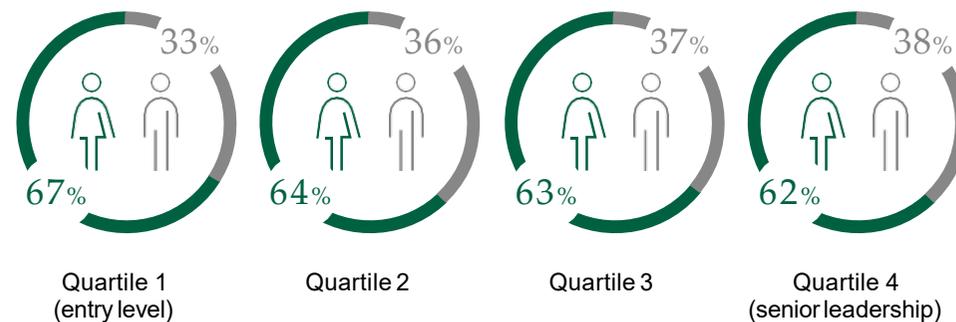
The proportion of men and women awarded any bonus pay over the same 12 month period is also reported.

Gender pay reporting is different to equal pay - equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. The gender pay gap shows the difference in the average pay between all men and women in a workforce.

Starbucks gender pay gap summary (April 2018 to April 2019)

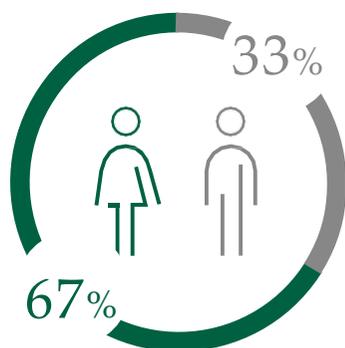


Proportion of employees in each quartile



Our results and what they mean

Replicating what we saw in 2018, there is no median gender pay gap between our UK partners. This year, our mean gender pay gap is 4%, down from 5% in 2018, and we continue to focus on bringing that down. In the retail sector, a report by PWC in 2018 found the median gender pay gap was 13.1%, marginally down from 13.3% in the previous year. We have been significantly below that for the past two years.



At all four salaried levels of our business, we have a higher proportion of women at around 67% women - 33% male.

Despite making significant progress to bring this down over the past few years, there is a larger gap when we look at the average bonus gap – a 15% mean and 26% median between males and females. We know that there is more work we can do to encourage and develop talented women throughout our organisation. Last year we appointed a new managing director of our UK business. This position is fulfilled by a female leader, responsible for operating our biggest market in EMEA. This year, the supply chain role on the Starbucks EMEA Board is also filled by a female leader who has since been named one of the top 100 most influential women working in supply chain management worldwide.

Additional support

We are constantly working to make Starbucks a great place to work, and that includes creating a framework for an inclusive and diverse workforce who are supported by a relevant benefits programme. We will continue to update on our progress and policies to support this – whether that's increasing free access to education, shares in the business or the opportunity to move to a new home and benefit from an interest-free deposit loan to help.

For media inquiries, please contact

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