



GREENE KING MODERN SLAVERY STATEMENT 2021

Introduction

We recognise that we have a responsibility to prevent modern slavery and human trafficking both within our business and our supply chain, as slavery and human trafficking are abuses of a person's freedoms and rights and there is no place for forced labour and exploitation in any of our operations.

Our business

Greene King was founded in 1799 and is headquartered in Bury St. Edmunds, Suffolk. We currently employ around 39,000 people across five divisions: Local Pubs; Destination Food Brands; Premium, Urban and Venture Brands; Pub Partners; and Brewing & Brands.

We operate c.2,600 pubs, restaurants and hotels across England, Wales and Scotland, of which c.1,600 are managed pubs, restaurants and hotels in the Locals, Destination and Premium, Urban and Venture Brands divisions, and c.1,000 are tenanted and leased pubs in the Pub Partners division. Our leading managed brands and formats include Hungry Horse, Farmhouse Inns and Chef & Brewer. Our Brewing & Brands division covers the brewing sides of the business, with quality ale brands brewed at the Greene King brewery in Bury St Edmunds and the Belhaven Brewery in Dunbar. Our industry-leading portfolio includes Greene King IPA, Old Speckled Hen, Abbot Ale, Ice Breaker and Belhaven Best.

Recent developments

The COVID-19 pandemic in the UK had an unprecedented and critical impact on the leisure and hospitality sector and therefore on the group in 2020 and 2021. During the last two years priorities for the business necessarily focussed on ensuring the financial stability and survival of the business, positioning the business to exit the crisis strongly and protecting our employees and partners from the worst impact of the crisis – both financially and from a welfare perspective.

At the same time, we have deployed a programme of cultural and strategic transformation, Greene King Unleashed, designed to unite our 39,000 team members under a common purpose and shared corporate values and to develop a more sustainable business model achieving a balance between performance delivery and longer-term growth and meeting the needs of customers, employees and shareholders. Our purpose, **We Pour Happiness into Lives**, sits alongside our goal, to be the pride of British hospitality famous for outstanding customer experiences and a balanced portfolio of high growth, consistently profitable brands.

In 2020 we became a member of the Slave Free Alliance, a social enterprise and membership initiative launched by anti-slavery charity Hope for Justice, so that we can access their support and knowhow with regard to modern slavery issues. Slave Free Alliance conducted a gap analysis to help us redefine and strengthen our response to modern slavery.

Our policies

We have a code of conduct which sets out a number of principles we expect our employees and suppliers to comply with. These include statements that all employees shall be free to choose their employment and shall not be forced to work against their will, and that there shall be no forced, bonded or involuntary prison labour or human trafficking.

For our employees, failure to comply with the provisions of the Code may result in disciplinary action which could result in their immediate suspension or the termination of their employment.

We also operate a whistle blowing policy, aimed at our team members, which encourages employees to report any wrongdoing, including human rights violations such as modern slavery or human trafficking. Any reports of this nature will be fully investigated and appropriate remedial actions taken.

We believe that transparency is vital to a successful business relationship with our suppliers. We are committed to building long-term relationships with suppliers and value open and honest communication with them. In the event of non-compliance with our Code of conduct, we expect our suppliers to be committed and engaged in remedying the issue within a time frame set out in a corrective action plan to be agreed with the supplier. We reserve the right to terminate any agreements should a supplier decide that compliance with the Code is impossible or where a supplier shows repeated disregard for the provisions of the Code.

As we develop our new strategies with regard to modern slavery we will review both our policies and procedures, and the expectations we set for our suppliers in this area.

Our supply chain

Our supply chain includes over 5,000 suppliers includes food and drink suppliers for our pubs, raw materials for our beers, as well as goods and services not for resale such as equipment used in our pubs, point of sale materials, IT equipment, utilities and waste services, contractors building, repairing or cleaning our pubs, marketing, advertising, recruitment and training.

Our suppliers vary enormously in terms of their size and expertise and many of those will themselves be reliant on their own supply chain, potentially across many countries, in order to be able to supply relevant goods or services to us.

Current and proposed due diligence processes for modern slavery and human trafficking

By running many of our pubs as managed houses we have optimum control of the work environment, including labour scheduling and pay rates, thus reducing the risks within our own business. We recognise however that no business can be risk free. We engage with employees to raise awareness through live webinars available to all employees on transatlantic slavery and modern slavery with recordings and additional spotlight videos available on our online training platform. More detailed training is likely to form part of our new strategy on modern slavery.

In 2021 we changed our whistleblowing partner to Navex platform and undertook an extensive awareness-raising communications plan for employees via our intranet and our internal social media platform 'Kingdom'. with videos and real examples asking 'Why whistleblow? What's in it for me?'.

A small number of whistleblowing cases suggesting incidents of modern slavery have been submitted. However, none of cases upheld so far were for this category.

Our supplier terms and conditions require compliance with the Modern Slavery Act and we expect all major suppliers to have suitable anti-slavery and human trafficking policies and processes in place. We anticipate working with Slave Free Alliance to improve our due diligence processes to enable us to identify and assess potential risk areas in our business and our supply chain.

The whistleblowing service has been extended to suppliers, with top suppliers sent details directly. Information on the service is now also included as part of the new supplier set up process and in the bounce-back email that is sent out when invoices are submitted to Greene King by email.

In May 2022 we established our new Environmental Social Governance Board with responsibility for defining our strategy against modern slavery and reporting against actions.

Our effectiveness in combating slavery and human trafficking

We understand that the risks of modern slavery and human trafficking are growing, and we will continue to monitor our approach to mitigating this risk in the year ahead. With the help of Slave Free Alliance we will work to develop a more comprehensive long term strategy for dealing with modern slavery risks both within our business and in our supply chain.

This statement covers the following subsidiary entities:

Greene King Brewing and Retailing Limited

Greene King Retailing Limited

Greene King Retail Services Limited

Spirit Pub Company (Managed) Limited

Spirit Pub Company (Services) Limited

Spirit Pub Company (Supply) Limited

Spirit Pub Company (Trent) Limited

Approved on behalf of the executive board of the Greene King group

Nick Mackenzie

Chief executive officer

June 2022