

GENDER PAY GAP REPORT 2018



GREENE KING
BURY ST EDMUNDS

At Greene King we are committed to fairness, inclusion and equality for all of our 39,000 people across the business. We benefit from the different backgrounds, experiences and ideas that our people offer and believe that this is key to the long-term success of Greene King.

Our pubs are at the heart of neighbourhoods across the country and we recognise the importance of our team members reflecting the diversity of the communities in which we operate.

Since publishing our last report in March 2018 we have taken action to further develop our approach to inclusion, including establishing a women's network, called Team 47, and a LGBT+ group, called Village Greene. We are formalising the Greene King diversity and inclusion strategy.

We are proud that 40% of our pub general managers are women but we know that this is not reflected at the more senior regional Business Development Manager (BDM) level. Feedback from our colleagues says that this is due to the requirements of the job, including covering a wide geography, which can make it difficult to balance family commitments. During 2018 we worked to address this, implementing a number of changes to the scope and structure of the role to encourage more women to apply for and remain in these roles. Changes included reducing the size of the area covered by our BDMs to reduce driving time. We are pleased that we have started to see an improvement in the number of females being appointed to these roles, up by 8% since the end of the reporting period.

We are confident that we have appropriate procedures in place to ensure that men and women are paid fairly for the roles that they perform. However, we recognise that we still have more to do and we are building a more formal approach to diversity and inclusion.

We employ more women in lower paid roles, particularly in customer facing pub based roles and fewer in management positions which influences our gender pay and bonus gaps. Our mean gender pay gap is minimal in the core Greene King Retail Services part of our business where most of our people are employed, but higher in Greene King Services due to the larger number of men in senior management roles. This also influenced the average bonus which was again higher in Greene King Services. However, our mean bonus gap is negative in Greene King Retail Services - i.e. women received higher bonuses than men. However, the gaps in both companies have reduced since we last reported.

We set out a number of actions on page two that will support us in moving forward over the next year. We will report on progress against these in our 2019 Gender Pay Gap report.

Finally, I confirm that the Gender Pay and Bonus Gap calculations and the data provided for Greene King Retail Services and Greene King Services are accurate.

Rooney Anand
CEO, Greene King plc

ABOUT GREENE KING

Greene King colleagues are employed by one of two companies:

GREENE KING RETAIL SERVICES LIMITED

This comprises primarily of pub based employees below management level.

GREENE KING SERVICES LIMITED

This includes employees in our brewery and distribution centres, most of our pub based management and Group support services including head office and operational support.

OUR NUMBERS

This report provides information for both employing companies and a combined Greene King.

	Greene King Combined		Greene King Retail Services		Greene King Services	
	Median	Mean	Median	Mean	Median	Mean
Gender Pay Gap	1.0%	13.5%	0.0%	3.1%	9.4%	14.5%
Gender Bonus Gap	52.9%	19.7%	40.0%	-38.7%	6.2%	42.7%

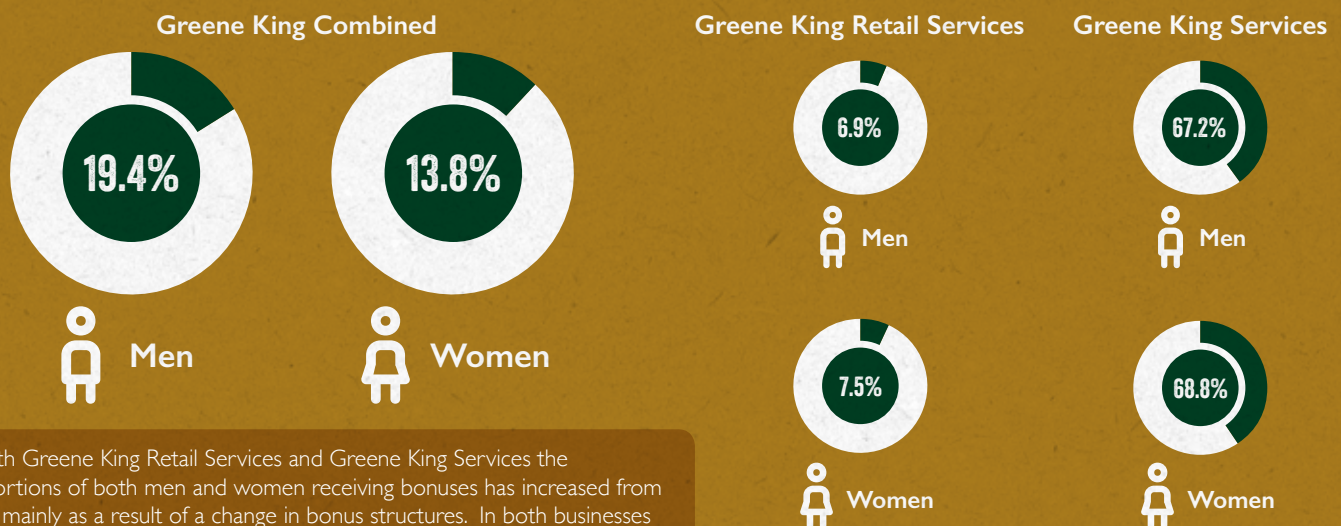
Our combined entity has seen a slight decline in the mean pay gap in 2018, with a small increase in the median pay gap. As for 2017 it remains higher in Greene King Services due to the higher proportion of men in senior roles, although both the median and mean pay gaps are lower than in 2017.

The bonus gap for Greene King Retail Services is less favourable for women than in 2017, although women still received higher mean

bonuses than men. However, bonuses in retail are driven solely by objective measures including financial performance, with both women and men who are eligible for the various bonus schemes having the same opportunity to earn a bonus.

In Greene King Services, both the mean and median gaps have reduced from 2017. However, the higher proportion of men in senior roles continues to drive the overall bonus gap.

PROPORTION OF EMPLOYEES PAID A BONUS



In both Greene King Retail Services and Greene King Services the proportions of both men and women receiving bonuses has increased from 2017 mainly as a result of a change in bonus structures. In both businesses the proportion of women receiving bonuses is higher than in 2017.

PAY QUANTILES

	Greene King Combined		Greene King Retail Services		Greene King Services	
	Male	Female	Male	Female	Male	Female
Band A - (First Quartile)	42.8%	57.2%	43.2%	56.8%	54.2%	45.8%
Band B - (Second Quartile)	38.7%	61.3%	41.4%	58.6%	62.9%	37.1%
Band C - (Third Quartile)	42.7%	57.3%	36.8%	63.2%	66.0%	34.0%
Band D - (Fourth Quartile)	63.9%	36.1%	54.4%	45.6%	73.2%	26.8%

The above table shows that we employ more women than men in the first three quartiles of Greene King Retail Services and more men than women in every quartile of Greene King Services. There have been no significant changes since 2017.

CLOSING THE GAP

While some of the figures have improved from our 2017 report, we recognise that we still have more to do to enable women to progress into more senior roles and narrow our gender pay gap.

To ensure we continue to make progress, we are working on the following key actions:

- Continuing to develop our diversity and inclusion strategy, including appointing an executive sponsor from the business
- Implementing the key actions from the diversity and inclusion strategy, in line with the agreed timelines, to support not only women but other currently under-represented groups
- Continuing to review our talent and succession and reward and progression related processes and provide line managers with guidance to ensure that decisions are free from unconscious gender bias.