

SERVING KING AND COUNTRY:

THE GREAT BRITISH PUB AT THE HEART OF COMMUNITIES



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FOREWORD

FROM NICK MACKENZIE,
GREENE KING CEO

We are proud to have been running pubs and brewing award-winning beers since Greene King was founded in 1799. Our pubs have witnessed over 200 years of British history and evolved alongside British society over this time, including coronations, jubilees and even hosting members of the royal family. Our team at our Bury St Edmunds brewery also had the pleasure of hosting the King, when he was Prince of Wales, in 2005, while the Princess Royal officially opened our £1m new brewhouse at our 300 year old Belhaven Brewery in 2013.



With recent research we have commissioned showing that a third of Brits have worked in a pub at some point in their lives, the social and economic value of pubs to a local area is undeniable. As we use this time to gather in the nation's locals and celebrate our new King as the British do best, often with a pint in hand, we must not forget that the future of the Great British Pub is far from certain. We have been through some challenging times over the past few years, not least during the Covid-19 pandemic and the current record inflation and cost-of-living crisis. This report shows us that we can't afford to take pubs for granted and the gaping hole the sector's loss would leave both in society and the Treasury's coffers.

- 39,000 PUBS ACROSS THE UK
- THE SECTOR SUPPORTS 936,000 JOBS
- PUBS GENERATE £26.2 BILLION OF GROSS VALUE ADDED (GVA)

As we prepare to celebrate the King's Coronation, we are taking a moment to look back at how pubs have changed over the past 70 years, since the last coronation.

The pub experience in 1953 will be unrecognisable to many of today's customers, with sparse furnishings, limited choice of drinks and food and a largely male customer base.

We now pride ourselves on creating warm, welcoming spaces for millions of people of all backgrounds. Our pubs, which now number c. 2,600 across England, Scotland and Wales, offer a huge range of food, beer and other alcoholic and non-alcoholic drinks. But our pubs are far more than just places to grab a pint. Our pubs have a long tradition of supporting the communities they serve, with many acting as the beating heart of their local area. From fundraising for our charity partner Macmillan Cancer Support to holding meet-up events through our No One Alone initiative, the range of services, fundraising events and other community programmes organised by our general managers and tenants never ceases to amaze me.

I am delighted to be able to showcase a handful of our fantastic community pubs and the teams behind them through this report.

In particular, we need to see fundamental reform to business rates - the highest regulatory cost burden for pubs, and a better regulated energy sector that does not penalise hospitality businesses. These reforms would encourage more investment in pubs, benefitting the communities they serve and contributing to the country's economic growth. Reforms to the Apprenticeship Levy to make it truly employer-led would also help us provide apprenticeship opportunities to many more people.

We look forward to continuing our work with the industry and the Government to ensure we're creating an environment that enables pubs to thrive and continue to serve communities for generations to come.



INTRODUCTION

Pubs have been at the heart of British society and notable national moments for hundreds of years. As we look forward to the first coronation in 70 years, this report looks at how pubs have served their local communities and acted as a mirror of societal changes over the course of the long reign of Elizabeth II. We also look at how we can ensure pubs continue to play a central role under the upcoming reign of King Charles and for generations to come.

New research from Greene King has found that a third of Brits have watched or celebrated a national moment in a pub, and we don't expect the Coronation to be any different. Throughout the bank holiday weekend, we're expecting 62 million pints to be pulled across the industry as Brits appreciate an extra bank holiday and settle in to watch the festivities in pubs across the country.¹

We will also be marking the celebrations through the launch of our 2023 Coronation Ale – as we have done for previous coronations – and our pubs will be playing their own part in local celebrations up and down the country.

While people have come together in pubs to celebrate national moments for decades, the way those pubs look, the role they play in our lives and even the food and drink on offer has dramatically changed since the last time the UK celebrated a coronation.

What hasn't changed however is the enduring significance of pubs to local communities and the sector's importance to the national and local economies. Our research has found that four in five Brits think pubs are important for local communities while two thirds believe they support the local economy. The important role of the pub has recently been highlighted by the Covid-19 pandemic and economic challenges the sector has faced since. Pubs have pulled together to support the communities they serve and we are now looking forward to a brighter future for the industry. Despite the challenges facing the sector and our customers around the cost-of-living crisis, we hope that the British public will continue to show its desire to come together in pubs.

We must use this moment of celebration, or at least of an extra national holiday, to think about the future of the wonderful local pubs that we are gathering in. Ultimately, if we want to continue to frequent our local, meet friends and loved ones, and come together for moments of national celebration and mourning, as well as protect the close to one million jobs and the numerous skills and training opportunities the sector creates, then we need to make sure our beloved pubs can survive. With pubs in communities up and down the country, and with a variety of career and training opportunities available, there are few industries better placed to provide opportunities to all people. At Greene King, we are proud of our work supporting apprentices, prison leavers, supported interns and young people looking to get into work, and we want to be able to continue investing in these programmes.

WHAT HASN'T CHANGED IS THE ENDURING SIGNIFICANCE OF PUBS TO LOCAL COMMUNITIES AND THE SECTOR'S IMPORTANCE TO THE NATIONAL AND LOCAL ECONOMIES

We need a policy environment that allows pubs to thrive, with pragmatic regulation that encourages, not hinders, investment. Fundamental reform to business rates, in particular, would enable greater investment in pubs, allowing them to better serve their local communities and provide more career opportunities for local people. We also need to see action taken to protect small businesses and tenants from energy companies charging unfair prices, a practice that is rife despite the continued drop in wholesale energy prices. The importance of pubs to our national consciousness is too important to lose, so government and the industry need to continue to work together to tackle the challenges pubs face and create the thriving future they need.

¹ British Beer and Pub Association

THE PAST 70 YEARS HAVE SEEN SOCIETY AND PUBS EVOLVE, BUT THE ROLE OF PUBS AT THE HEART OF THE NATION HASN'T CHANGED



PUBS HAVE BEEN AT THE HEART OF COMMUNITIES FOR GENERATIONS

With 43% of Brits visiting one of the UK's 39,000¹ pubs at least once a month, and more than half (58%) living less than a mile from a pub, the idea of the 'local' remains a strong one in British consciousness. Yet, it is not just somewhere to meet friends or grab a bite to eat, but also an economic and social bedrock of a community.

43%



OF BRITS VISIT A PUB AT LEAST ONCE A MONTH

73%



SAY MEETING FRIENDS OR SOCIALISING ARE THE MOST IMPORTANT REASONS FOR VISITING A PUB

82%

OF BRITS THINK THAT PUBS ARE IMPORTANT FOR LOCAL COMMUNITIES



FOR SALE 52%

OF BRITS SAY THAT BEING CLOSE TO A GOOD LOCAL IS IMPORTANT WHEN CONSIDERING MOVING HOME

58%

LIVE LESS THAN A MILE FROM A PUB



35%



OF BRITS HAVE CELEBRATED OR WITNESSED A NATIONAL MOMENT IN A PUB

27%



OF 18-34 YEAR OLDS PLAN TO VISIT A PUB OVER THE CORONATION BANK HOLIDAY WEEKEND



In 2022, 936,000 people were supported by the pubs sector,¹ while our recent research shows that a third (34%) of people have worked in a pub at some point in their lives.

These joint social and economic roles make it unsurprising that four in five Brits (82%) think that pubs are important for local communities. A good local pub can also attract people to a new area, or keep them in their community, with half (52%) of Brits saying that being close to a good local is important when considering moving home.

At Greene King, we have long recognised this value and worked hard and invested significantly to ensure our pubs play a key role within their communities.

Coffee mornings, book clubs and quiz nights are just some of the events that regularly take place in our venues, welcoming people from all backgrounds to come together, socialise and pursue their hobbies. Pubs are the original social network and can be particularly important places to enable people to come together who may not have other opportunities to socialise. Indeed, a third of people think pubs are important to those living alone, the same proportion who believe they are an important local asset for retired people. At Greene King, we are helping to combat loneliness through our No One Alone programme which enables pubs to host meet-up events and other activities for their customers.

Pubs can support people of all ages, backgrounds and interests. Our Proud to Pitch In scheme, which uses proceeds from Greene King IPA sales to provide funding grants for local sports clubs and projects, is emblematic of a pub's value to a community. To celebrate Proud to Pitch In's first anniversary, Greene King offered a one off grant of £10,000, up from the usual £3,000, which was won by Cumbria-based wheelchair

rugby club Penrith Pumas WRC. The club applied for the grant with the aim of expanding their existing facilities and equipment, and with the cost of purchasing a single rugby wheelchair upwards of £3,000 the grant is making a huge difference. Since its launch in 2021, Proud to Pitch In has provided over £380,000 in grants to more than 160 local projects, showing how pubs can bring benefits beyond its four walls.



¹ Altus Group, April 2023

¹ Frontier Economics for the British Beer & Pub Association, Impact of recent economic trends on pubs and breweries, November 2022

AT THE HEART OF COMMUNITIES CONTINUED

Greene King is also proud of its 10-year national charity partnership with Macmillan Cancer Support. We have become the charity's number one employee-led fundraising corporate partner and our teams and customers have raised over £14 million. Our partnership has evolved over the years, with many Greene King team members becoming Macmillan volunteers, including supporting people living with cancer as trained telephone buddies during Covid. Across the whole sector, pubs raise more than £100 million for charity every year, and offer £40 million of support to grassroots sport.¹

Alongside serving communities and supporting those most in need, pubs also provide spaces for people to come together at times of national celebration. Since the last coronation in 1953, pubs have been the chosen venue for many national celebrations, from Royal Weddings to football World Cups. A third (35%) of Brits have celebrated or witnessed a national moment in a pub, and a quarter (27%) of 18-34 year olds plan to visit one over the Coronation Weekend. These occasions have become vital to sustaining the sector and the industry anticipates selling 62 million pints of beer over the course of the Coronation Weekend.²

¹ PubAid
² British Beer and Pub Association

44% OF THE POPULATION HAVE A FAVOURITE PUB THAT THEY VISIT WHEN CELEBRATING LIFE MOMENTS

Pubs have perhaps been even more important to community celebrations, hosting major life events from birthdays and weddings to wakes for generations. For many, pubs provide the backdrop to both big life events and everyday moments. According to our recent research, more than two fifths (44%) of people have a favourite pub that they visit when celebrating life moments. For many, pubs are invaluable for enabling them to socialise or meet friends, with more than two thirds (73%) saying these are the most important reasons for visiting a pub.

This combination of roles is central to the essence of the Great British Pub: an institution at the heart of the nation's communities.



CELEBRATING A SCIENTIFIC DISCOVERY

Greene King pubs have been witness to innumerable special moments over the past 200 years. Among the most significant took place at The Eagle in Cambridge in 1953. History was made when two scientists, Francis Crick and James Watson, walked into the pub and declared they had discovered the structure of DNA, the so-called 'secret of life'.

The city centre pub was popular with people working at the University's Cavendish Laboratory nearby. In 2023, visitors continue to flock to The Eagle to sit at a table in the pub where the scientists regularly had their lunch and made their incredible announcement. The pub is also famed for its WW2 RAF bar and ceiling decorated with names and squadron numbers of pilots who served at nearby military bases.

"This pub is incredible. It is living and breathing history," says general manager Julia Kimbell. "We have hundreds of visitors from all over the world, scientists and historians, who come here. The Eagle has such an amazing story to tell, there is just so much history here and everyone wants to experience the very place where it all happened."

"This is not just a pub with food and drinks, it is so much more. There is so much to discover about biology, the military and history when you are here. It is keeping the history alive and in the present."

Today, guests to the 14th century Grade II listed pub – a landmark pub on its own merits – can enjoy a pint of the pub's own special ale, the aptly-named Eagle's DNA.



"THIS IS NOT JUST A PUB WITH FOOD AND DRINKS, IT IS SO MUCH MORE. IT IS KEEPING THE HISTORY ALIVE AND IN THE PRESENT."

AT THE HEART OF COMMUNITIES CONTINUED

MORE THAN JUST A PUB

Serving local communities is instinctive to the pub sector and we at Greene King continue to be amazed by the work our general managers, tenants and team members do to support their customers and each other.

MARK GORDON, GENERAL MANAGER OF THE KINGS ARMS, BAGSHOT

Celebration and community spirit are at the very heart of The Kings Arms in Bagshot, which will be honouring the King's Coronation in right royal style.

Managers Mark and Sarah Gordon have been serving the town for 13 years and it's very much a family business with the couple's children now working at the High Street pub too. Its long-standing popularity and success mean it's a winner with the locals and has been recognised for its outstanding community work. In 2022, the pub picked up awards for diversity and inclusion as well as winning the We Care title at the Pride of Greene King Awards 2020.

Mark, who is also a local councillor, believes being at the heart of village life is vital and the pub goes over and above when it comes to caring for its regulars and neighbours. He says: "The thing that's special about a pub environment is it's where people talk, where they meet up and socialise.

"Yes, we serve food and drinks, but there is so much more. We hold lots of celebrations and events throughout the year which bring the community together. We are a home for a host of clubs and social groups. We are here for the good times, celebrating local and national events, and here for the difficult and sad times. Covid was hard but while the pub doors were closed, the team and I were here for our community."

DIANE GUEST, GENERAL MANAGER OF THE BROADWATER, WORTHING

Great British pubs are the beating heart of their communities here for the every day, the high days and the holidays, according to Diane Guest, general manager of the Broadwater in Worthing, West Sussex.

Diane says: "Nothing beats a great community pub, it's about caring, it's about giving and it is open for everyone. All ages enjoy themselves here and people around here know we care and that's what's important. Go back through time and pubs have been at the heart of their community, we may have lost that a bit at the turn of the century but Covid really showed everyone the real importance of a local. We are pivotal to what goes on."

The role of the pub is so varied – it's for people to socialise and have fun, raise money for charity and watch sport, a place for clubs and groups to meet but also for people to discuss a wide range of things. Recently, community nurses have been at the Broadwater offering medical advice to residents who may not want to take a trip to the doctor.



During lockdowns Mark says they kept busy delivering shopping and medicines, and checking in on locals, especially those living alone. The weekly Pub Quiz moved online with 300-400 people joining in. Over Christmas, Santa (aka Mark) made 120 Facetime calls to children unable to meet Mr Claus in person and the pub delivered 186 Christmas dinners. The Kings Arms team provided invaluable support throughout the pandemic.

The team looks forward to happier times in 2023 when the High Street will be closed off for the King's Coronation. Mark says: "We are really going to town with a grand carnival spirit and the pub is at the heart of it all as the whole community comes together to celebrate."

As they have done for other national and local celebrations, Worthing will come together for the King's Coronation. The pub overlooks the village green where there will be stalls, a beer tent (courtesy of the Broadwater), dance displays, old fashioned organ, samba drums, and bouncy castle – truly something for everyone.



ROB KEITHLEY, GREENE KING BUSINESS DEVELOPMENT MANAGER

Pubs and charity have long been natural partners when it comes to giving and caring for communities. Fundraising has been boosted over recent years by the rise in awareness thanks to social media, according to Greene King Business Development Manager, Rob Keithley.

Rob joined Greene King 11 years ago, just as the company was forming its official partnership with Macmillan Cancer Support. Since then, an amazing £14 million has been raised.

Rob says: "Our Macmillan fundraising is like a snowball, it just grows and grows. The key thing is it's fun, the events are fun and engage teams and customers so they are successful. When people are out in the pub and having a good time they will pop a £1 in the bucket or buy a raffle ticket. Something like a quiz night will bring people, new and existing customers, together, they will be enjoying themselves and at the same time raising money for Macmillan."

Happily, success breeds success. Rob adds: "It just grows as more people are engaged in the activities, sharing ideas and finding more fun ways to help the charity while bringing the community together. Macmillan is a well-recognised charity, cancer is talked about more these days and awareness is greater. The pub industry is all about its communities and

customers see the tombolas and events as an opportunity to give and make a difference. It's inspirational seeing how people come up with the ideas for fundraising and amazing to see the support from our teams and customers. Social media has really made a difference in making us and Macmillan more prominent in people's minds."

These short stories show that pubs are so much more than places in which to eat and drink. They are hubs which bring people together and provide vital support to their communities.



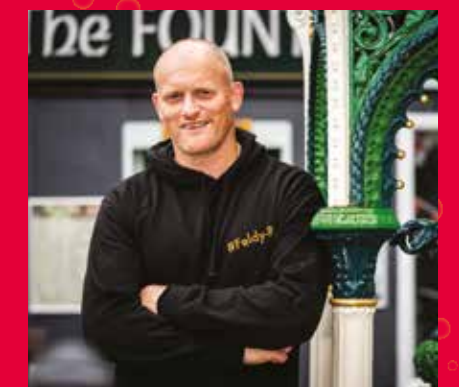
PULLING THROUGH THE PANDEMIC

The challenges of the Covid-19 pandemic only served to highlight just how important pubs are to communities. Despite being forced to close for several months at a time, pubs quickly adapted to make sure they could serve their communities in different, innovative ways. We were delighted to see Greene King's general managers and tenants all over the UK adapt their pubs to fulfil their community's needs.

For example, **Terry Rigg, General Manager at the Fox & Pheasant in Stoke Poges**, made sure nothing went to waste when pubs were forced to shut once again in December 2020. Terry donated Christmas turkeys that had already been ordered to local hospices and care homes and worked with the local church to cook and deliver meals to residents who were on their own and to nurses working on the Covid ward of the local hospital.

Meanwhile, **Gavin Price, licensee of The Fountain in Aberfeldy**, won an MBE for the award-winning delivery service he set up from the pub. Gavin and his team began delivering meals to the local community soon after the first lockdown began and soon expanded to include other essentials like sanitiser, toilet roll and PPE. The Fountain went from being a pub to a hub, running a network of 140 volunteers who helped with the cooking, packaging and delivery of hot meals around Highland Perthshire. Gavin also joined up with other local restaurants, cafes and shops to deliver meals and other items. By spring 2021, Gavin's team had delivered over 50,000 meals, earning him Greene King's Pub Hero of the Year award. Continuing in the community spirit, Gavin used the prize money to pay for the town's historic drinking fountain to be renovated.

These are just two examples of amazing work undertaken at our pubs



across the country, from raising money to support local causes, to checking in regularly with vulnerable or lonely regular customers, to starting up a delivery service to bring people food or essential items.

Pubs have proven themselves to be invaluable in moments of national crisis as well as celebration and we must not forget this as memories of the pandemic begin to fade.

AT THE HEART OF COMMUNITIES CONTINUED

A ROYAL WELCOME

Pubs have long had close royal connections, with some of the most common pub names – from the Red Lion to The George – named after heraldic symbols or monarchs' names. Across Greene King's estate alone, 42 of our pubs feature King in their name, whether that be King's Arms or the King's Head.

Throughout history, royals have stayed in pubs during their travels across the country and some have even pulled their own pint. Indeed, Queen Elizabeth II stopped at Greene King's Cross Hands Hotel in Old Sodbury in 1981 when her car broke down during a blizzard. She enjoyed tea and scones while waiting for the RAC. And tradition has it that Queen Elizabeth I broke her journeys from London to Southampton at The Swan in Alton.



This Greene King mechanical king was used in pageants and beer festivals. The mannequin would lift its hand to raise a glass to its lips.



We also welcomed back Her Royal Highness the Princess Royal to our 300-year-old Belhaven Brewery in Scotland in 2013. The Princess, who first visited the Brewery in 1988, opened Belhaven's £1m new brew house and learnt about the craft that goes into some of the country's favourite beers, including Belhaven Best and Belhaven Black.

Our Bury St Edmunds brewery was also lucky enough to welcome His Royal Highness the Duke of Gloucester in 2015. The Duke was shown how Greene King's beer is brewed using natural ingredients and traditional methods.



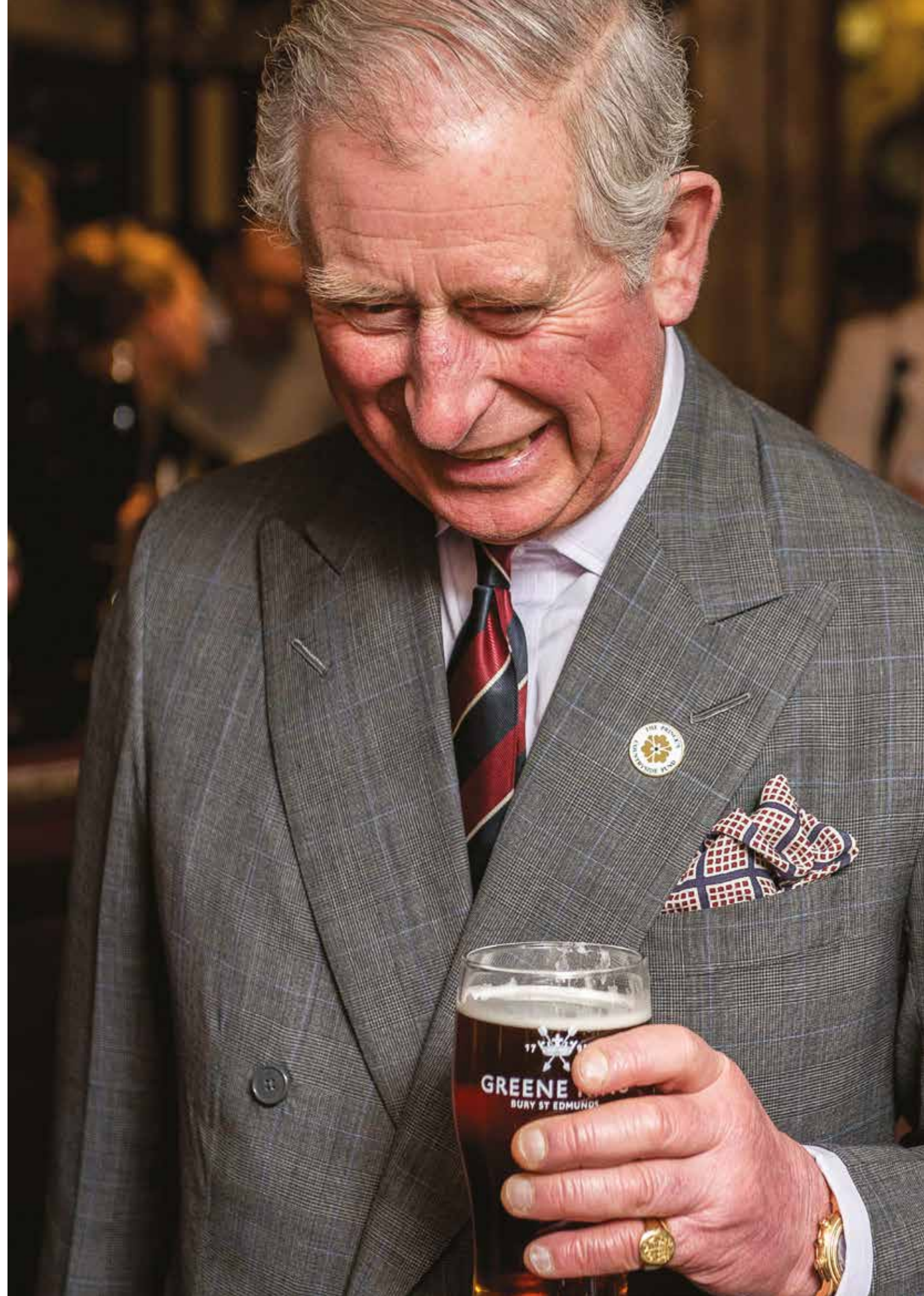
Our teams work incredibly hard to provide warm and welcoming pubs and world-class beer. We are incredibly proud of their achievements and this recognition from the King and members of the Royal Family.



In recent years, we are proud to have welcomed royal visitors to more of our pubs, including the King himself. In 2005, he visited our hometown Bury St Edmunds with the then Duchess of Cornwall where the pair tried their hand at pulling pints of Greene King IPA and Abbot Ale. The King also pulled a pint of Greene King IPA at The White Horse in Upton in 2016, as part of Pub is The Hub's 25th anniversary celebrations.

The Fort St George pub in Cambridge has its own royal connections, including a permanently reserved space for Prince George. The pub marked the birth of the prince by installing a plaque on the wall, ensuring the future King will always have

somewhere to sit on his next visit. His parents, then the Duke and Duchess of Cambridge, visited the pub in November 2012 during the couple's first official visit to Cambridge. The pair enjoyed a pub lunch by the riverside.



AT THE HEART OF COMMUNITIES CONTINUED

THERE IS NO BETTER MIRROR OF HOW SOCIETY HAS CHANGED

When members of the Royal Family have visited Greene King pubs over the years, they would have seen a reflection of the local community as it was at the time. The pub is a window into society, from the new faces of pub goers to the evolving choices on the menus and the beer on the taps. These all reflect the changes that we have seen across the nation.

In 1953, Greene King had 499 pubs, predominantly in the East and Southeast of England with the brewery in Bury St Edmunds the heart of the business. Pubs would have been smoke-filled, there was only cask on tap and the punters would likely have been predominantly male. Horse-drawn drays were still used until 1958 and metal casks, beer cans, forklift trucks and pallets weren't introduced until the 1960s.

In the 70 years since then, we've expanded to 2,600 managed and tenanted pubs across the UK, established brands including Hungry Horse, acquired Belhaven, the oldest working brewery in Scotland, and launched hundreds of new beers. For decades, millions of customers have passed through our doors each month, and our pubs have evolved with them, from the food, drink and entertainment on offer, to the furnishings and the overall atmosphere.

A horse drawn float used in a local festival, not dissimilar to the horse drawn drays used by Greene King until 1958.



A Greene King pub interior from the 1950s – a far cry from the warm, welcoming pubs of today, including The George in Southwark (pictured below)



Those pulling pints and sitting at the bar reflect all corners of our nation and our pubs work hard to be welcoming to everyone from across our richly diverse British society. We are committed to promoting inclusion and diversity and eliminating racism in our company, the pub and brewing industry and society more broadly. Our company's heritage, with our founder Benjamin Greene's links to Transatlantic Slavery in the 1800s, means we are uniquely placed to drive this change and make a significant difference across the hospitality sector.

As part of our work to promote inclusion and diversity, we support four employee volunteer-led groups, which are chaired by an Executive Board member, and are focused on true inclusion for all, each with a different focus area – Unity, our Black, Asian and ethnic minority focused group, Village Greene, our LGBTQ+ focused group, Greene Sky, our female group, and Ability which aims to support Greene King to be a truly Disability Confident Employer. We have also made a public commitment to becoming a truly anti-racist organisation by publishing our 'Calling Time on Racism' plan that sets out four long term commitments to drive cultural change in the way we recruit and develop our people and ensure that our pubs, restaurants and hotels are welcoming to everyone. We recognise that we still have a long way to go but we are working hard to get there.

CONTINUING OUR JOURNEY TO EVERYDAY INCLUSION – ALEXANDRO DE ARAUJO, PUB PARTNERS BUSINESS DEVELOPMENT MANAGER



Alexandro De Araujo has been with Greene King for five years and involved with Unity, our employee-led Black, Asian and minority ethnic community group, since its start.

Talking about everyday inclusion, he said: "Things have really evolved but we still have a long way to go. We can't change things in a day, it is a long process. Recognising different cultures and backgrounds has gone from celebrating a few key dates in the year to really getting people involved, from pub teams to suppliers, as part of their daily lives."

Alex highlights a 2022 success of Unity which saw authentic Jamaican dishes from Dattie's Soul Food Academy added to Hungry Horse and Flaming Grill pub menus. Unity introduced Monica Holton, head chef of the popular takeaway Dattie's Soul Food Academy in Burton-on-Trent, to the food development team and they worked together to create the dishes which are now enjoyed nationwide. This is a great way our customers can enjoy truly authentic dishes as pub food continues to evolve and showcase recipes from around the world and adds to understanding of different cultures.

He added: "We are seeing an impact internally and externally and I have seen changes for the better. As a BDM I always talk to our partners and teams about what it means to people to walk into a pub and feel welcome. We all need to make the effort to see other people's viewpoints and understand different backgrounds. People can act unconsciously sometimes so we need to share the insights and help that understanding."



Perhaps most noticeable has been pubs' evolution from predominantly male domains to environments which welcome families and people from all backgrounds. No longer are visitors greeted with smoke-filled rooms, following the indoor smoking ban in 2007. Visiting the pub has become more of a family pastime, be it for a Sunday roast or a loved one's birthday. With 46% saying that pubs have developed a more family friendly environment, we expect to see families continue to use their local as a meeting point and a venue for creating new memories. This positive sentiment has been driven by conscious changes in the pub industry to make the customer experience open to all and 40% of people say that pubs have become more welcoming.

But it's not just the people visiting pubs that have changed, Greene King menus are now home to dishes that have roots from across the world, from the Iberian Peninsula to India. We have come a long way from pubs offering just a ploughman's lunch. Our diverse menus mean customers can now visit a pub as an alternative to a restaurant for a special occasion meal and are able to choose from a range of vegetarian and vegan options, as well as local specialities and great pub classics.



Greene King has also expanded its beer range to include keg and has launched our own IPA and craft ranges to meet the demands of customers who want options that cater to a range of tastes. Most recently, Greene King has added new premium beers, using re-imagined recipes that draw on our 200 years of brewing expertise, including dry hopped lager Flint Eye and session IPA Level Head. This diversity in drinks is reflected across the wider industry, and over half (56%) of Brits recognise that pubs now offer a better range of drinks.

A good food offering has become a mainstay of many modern pubs, reflecting the fact that more than a third (33%) of people say that the quality of food is the most important factor when deciding which pub to visit.

For those who don't visit their local solely for the selection of ales and appetizers, there is always the pub quiz. With the tradition of the pub quiz truly established after Burns and Porter – which prepared and distributed pub quizzes – was founded in 1976, pub entertainment has evolved to feature local bands and stand-up comedians as well as darts, pool and live sport. The entertainment on offer at pubs has become more varied as they look for new ways to attract customers, particularly younger people. Indeed, one in six young pub goers between the age of 18–34 say the entertainment on offer is the most important reason they visit the pub.

Some of the food on offer at Greene King pubs in the 1970s (left) and the present day (below).



Today's pub entertainment is miles away from the entertainment of years gone by. In the 1970s, Greene King punters were enjoying pumpkin growing competitions and games involving coins, most of which were centred around raising money for local causes – in that respect, not so far from pubs' fundraising efforts today!



This picture shows a typical game from the 1970s taking place at The Star (now The Cricketers) in Fordham Heath, Essex. The licensees, Eric and Mary Wickens, would collect a pile of pennies for charity each year. This particular year, they collected £202.50 worth of coins, which was donated to the North-East Essex Doctors' Emergency Service. A customer donated £10 for the privilege of knocking over the four-foot six inch pile.

Similar scenes took place at The Wheatsheaf, St Neots, which was visited by Arsenal footballer Malcolm 'Supermac' Macdonald in the '70s. Licensees Tony and Ann Tuck asked Macdonald to smash a whisky bottle which had been filling with money for a year. The contents amounted to £199.40½, and were caught in a cloth held by 59 senior citizens, who were regulars of the pub and shared the money between them. Macdonald started off the next bottle with a £10 donation and signed autographs for 10p each to kick off the collection.



The Ashdon Bonnet, in Ashdon, hosted an annual pumpkin growing competition. Each summer, packets of pumpkin seeds were sold to competitors and the winning pumpkin was kept at the pub until Christmas, when customers paid 10p to guess the number of pips it contained. In this particular year, £32.10 was raised which was donated to the village's Over 60's Club.

Notable here is the participation of children and women – some way from the male-dominated pubs of the '50s.

Pubs have embraced the changes in our society and this is part of the reason for their enduring popularity. These changes are no clearer than in the customers that call us their local, the food they eat and the entertainment they enjoy.

A TALE OF TWO ALES

Greene King celebrated the 1953 Coronation with the launch of its Coronation Ale, which it promised would be "stronger than the usual and good value for the money". The ale was 6.5% ABV – lower than the 11% ABV strength of the beer brewed in 1936 to celebrate the coronation of Edward VIII, who was never crowned! 280 barrels were brewed and the beer was bottled in half-pint bottles. The company has a long tradition of brewing special ales for coronations and jubilees.



Celebrations at the company were not limited to a special ale, however. Greene King also provided bunting for its managed pubs and held a Flower Show, a Sports Show and a display by the brewery's fire brigade in Bury St Edmunds. The all-day event included a dance in the evening and a buffet for employees and relatives.

This year, Greene King is once again launching a special 2023 Coronation Ale. This is a more modern, golden beer than the 1953 version, and with a more modest 4% ABV strength.

As in 1953, many of Greene King's pubs will be decked out in bunting over the Coronation Weekend. Our pubs will be playing a central part in local festivities, while a lucky punter will be in with the chance of taking home a bottle of the 1937 Coronation Ale, which will be auctioned by the business's Brewing & Brands division.

AT THE HEART OF COMMUNITIES
CONTINUED

THE SECTOR IS DRIVING SKILLS AND CAREERS NOW AND IN THE FUTURE

Despite the challenges the sector has faced, the pub, and broader hospitality industry, remains a huge contributor to the UK economy. The pubs sector alone supports 936,000 jobs across the country, generating £26.2 billion of Gross Value Added (GVA).¹ It is also a significant employer, with a third (34%) of Brits having worked in a pub. Pubs are particularly important for providing careers in communities, with 61% of those who have worked in a pub doing so in their local area.

With almost 39,000 team members across our 1,600 managed pubs and c. 1,000 tenanted pubs in England, Scotland and Wales, we have seen the impact this can have first-hand, with many of our team members able to build their careers in the area in which they live. The pubs sector is a particularly significant employer of young people, with nearly half of those employed in the sector under 25.²

Pubs' contribution to local economies is also recognised by those living in the area, with two thirds (64%) agreeing that pubs support the local economy – rising to over 70% in some areas including Wales and the West Midlands.

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¹ Frontier Economics for the British Beer & Pub Association, Impact of recent economic trends on pubs and breweries, November 2022

² Frontier Economics for the British Beer & Pub Association, Impact of recent economic trends on pubs and breweries, November 2022



Pubs do not only create economic value, they also have important social value. A 2021 report by Cornwall Rural Community Group found that for every £1 spent on a project through the Pub is The Hub Community Services Fund, between £8.98 and £9.24 of social value was created. Pub is The Hub is a not-for-profit organisation which offers independent specialist advice to publicans on rural services diversification, so they can provide viable local services at the heart of their communities. Greene King has been a long term funder of the organisation, which has supported a number of the business's pubs, including The Queen in Brandeston, Suffolk. During the pandemic, Pub is The Hub helped The Queen to set up a community store and delivery service that served the vulnerable in the community. It also developed a seating area in the pub's barn that offered people a place to meet and connect with each other.

Sadly, the industry is still feeling the impacts of the pandemic and is seeing significant vacancies, numbering 142,000 in February 2023.¹ This is the third highest of any sector and demonstrates the urgent need for talent in the industry. We need to see a major shift from government, schools, colleges and careers advisers to demonstrate the value of hospitality careers and the opportunities they can provide.

¹ Office for National Statistics, Vacancies by industry, December 2022-February 2023

Apprenticeships are a key way of encouraging people to enter the sector – whether at the start of their career, as part of a career change, or re-entering the workforce later in life. Since we launched our award-winning apprenticeship programme in 2011, we are proud to have supported over 16,500 people. We pride ourselves on the long-term opportunities that we offer our apprentices, with team members who achieve their apprenticeship staying with Greene King a further 41 months on average, while 87% say they feel the business offers long-term opportunities for career progression.

With apprenticeships so valuable to both those undertaking them and to the sector, it is disappointing that new apprenticeship starts in the hospitality sector dropped to 11,300 in 2020/21 from 18,580 in 2018/19.² It is clear there is work to do as an industry and with government to show the value of both apprenticeships and careers in the hospitality sector.

We are committed to investing further in our apprenticeships programme and in 2022, we committed to support 5,000 new apprentices by 2025. With ambitions to offer as many opportunities as possible to people from a wide range of backgrounds, we also committed to recruiting 300 more prison leavers through our Releasing Potential Programme and 100 interns with Special Education Needs and an Education and Health Care Plan.

² Government apprenticeships data

FROM BAR JOB TO GENERAL MANAGER



Beckie Hartley, 37, joined Greene King's first apprentice programme in 2011. Beckie jumped at the opportunity to learn as she earned. After her first day working in the bar at High Park in Huddersfield in 2008, she was asked to be a team supervisor and she has made the most of all the opportunities to attend courses to develop her career, achieving Level 3 Team Leader, Level 4 Retail Manager and Level 5 Operations/Departmental Manager apprenticeships, on the way.

For the past six years, she has been at the Fenay Bridge Flaming Grill pub in Fenay Bridge, Huddersfield. Beckie became the pub's general manager two years ago.

"It's been the best of both worlds. I love to meet people, learn and earn, and Greene King really invests in its people.

"While you do similar things everyday, like sorting the tills, each day is different. There are different customers, families, couples, groups of friends, and everyone has something different to say and talk about. This is a brilliant pub with a good menu so you get a real mix of guests and meeting all these people is just so enjoyable. It's such a good job and there is a great team here with me and throughout the business supporting us.

"I recently visited a prison with one of our talent managers to see how our Releasing Potential Programme can help ex-offenders find work with us. There is

such a bright future, so much training to do and pubs are great places to work and develop a career."

Twelve years later, thousands of apprentices have followed in Beckie's footsteps, working in Greene King's bars, kitchens, hotels, breweries and head offices. And Greene King doesn't only support apprentices. Since 2011 the business has expanded its employability programmes to support prison leavers, supported interns, and young people looking to get into work. We are working with some amazing partners to support as many people as possible from a range of backgrounds, including Only A Pavement Away, New Futures Network, Novus, The Prince's Trust, Lifetime Training, Landmarks Specialist College and Mencap.

SECURING THE PUB SECTOR'S FUTURE FOR THE NEXT GENERATION

Across 39,000¹ pubs and over 1,800 active brewers, the beer and pub industry generates over £15.1bn in tax revenue, including £6.5bn in VAT, £4.6bn in excise duty, £2.3bn in income tax/NICs and £1bn in corporation tax.²

The economic impact of pubs is undeniable, on top of the unmeasurable social contribution. However, what is also undeniable is the regulatory cost burden pubs face.

Pubs have been at the heart of British culture for hundreds of years, but we risk taking the sector for granted. Spiralling costs of everything from energy to food, which came immediately after the challenges of the Covid-19 pandemic, have hit pubs hard. Across the sector, labour costs have risen by about 10% on pre-Covid levels, while food costs have increased by 20–40%.³ These increases are significant even without the high energy bills pubs are tackling. The British Beer and Pub Association (BBPA) has calculated that pre-pandemic, energy costs represented approximately 4% of a pub's turnover. This stood at 9% in March 2023, increasing to 12% in April.

These cost increases are being compounded by falling discretionary income and cutbacks in spending of customers.

We are also facing increasing regulatory costs, from everything from business rates to alcohol duty to new environmental legislation. With alcohol duty set to rise in line with inflation from August 2023, it is as yet unclear what the cost impact will be for pubs, but this has the potential to be significant, even with the new higher rate of draught relief.

As we look ahead to the future, we also cannot ignore the sector's responsibility to reduce its environmental footprint and play its part in protecting the planet. We are proud of the work we have done so far at Greene King, including committing to reduce scope 1 and 2 GHG emissions by 50% by 2030 and scope 3 emissions by 50%. We have also committed to being net zero by 2040.

However, reaching these targets will not be easy and the whole industry faces similar challenges. We want to work with the Government to facilitate investment in decarbonising our pub buildings, in particular, and other ways to reduce the industry's environmental impact as swiftly as possible.

As we come through this tricky period and to ensure the sector can continue to serve the UK for generations to come, we need a regulatory environment in which we can thrive, grow our business and invest in our communities.

¹ Atlas Group, April 2023
^{2,3} Frontier Economics for the British Beer & Pub Association, Impact of recent economic trends on pubs and brewers, November 2022

REGULATORY REFORMS TO HELP PUBS THRIVE

Energy bills

- Our industry has seen too many examples from energy companies of sharp increases in non-energy costs being layered onto bills, new terms and conditions, requirements for significant up-front security deposits and in some cases refusing to contract with hospitality businesses at all.
- Many energy suppliers have taken the opportunity to sign tenants, including Greene King's, onto fixed term contracts on misleading terms, which have seen them paying almost 600% more per year than they were on their previous contracts. Many of these tenants were forced to make these changes unaware that there was no cooling off period that would allow them to exit at a later date. Now that energy prices have begun to fall again, these suppliers are continuing to charge excessive prices and are refusing to negotiate new contracts.
- We need Ofgem to intervene to increase regulation and protect small businesses and tenants from companies charging unfair prices for energy.

Business rates

- Business rates are by far the largest regulatory cost facing the hospitality sector. Pre-pandemic, business rates accounted for 2.7% of the sector's turnover – compared to just 0.7% for the whole economy.

- Fundamental reform of business rates is needed, including:
 - Introducing a permanent cut of 20% or more to the multiplier for pubs. This would acknowledge the disproportionate burden relative to turnover that pubs continue to face and the unique role they play in local communities.
 - A 100% investment relief, to avoid substantial increases in rateable values following significant investments.
 - Reducing revaluation periods down to annual revaluations. More frequent valuations would respond more sufficiently to changes in the economy, trading conditions and property rental values. Annual revaluations would most accurately reflect changes in the market and be fairer for businesses.

Apprenticeship Levy

- We are passionate supporters of social mobility and are proud to have provided over 16,500 apprenticeships since 2011. This represents a significant investment for the business, including a cost of £3.5 million per year for the Apprenticeship Levy.
- We are committed to providing apprenticeships and other training opportunities, but we need the Treasury to reform the Levy to enable employers to train and recruit more apprentices in a way that is as simple as possible, including through:
 - A higher level of trust between Levy payers and the Government, to ensure the 20% off the job training provided for apprentices is delivered as effectively as possible.
 - Consistency in apprenticeship programmes to allow businesses to implement the correct training and programmes, which is currently undermined by the frequency of reviews of Level 2 apprenticeship requirements.
 - The provision of the digital services and forecasting tools needed to ensure that employers can plan for the future and maximise the number of apprentices they can bring on board.
 - Ways to let businesses use any unspent Levy funds more flexibly, allowing them to pass funds on to help small businesses to take on apprentices or invest more in getting under-represented groups into roles.

These reforms would help the pub industry unlock its full potential and release investment.



SERVING COMMUNITIES FOR FUTURE GENERATIONS

Throughout times of challenge and celebration, pubs have brought communities together and supported those in need. Pubs play a vital role in the social and economic health of the country and we must not risk losing our treasured locals. Few other sectors can claim to be so at the centre of community and national life, while generating revenue for the Treasury and raising funds for charities and local causes alike.

The future is bright, but the industry and government must work together to ensure the pub sector can continue to evolve and thrive until the next coronation and beyond.





METHODOLOGY

Unless otherwise stated, all polling has been undertaken by Opinium on behalf of Greene King. Opinium surveyed 2,000 UK adults between 24–28 March 2023.



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GREENE KING
BURY ST EDMUNDS