



Gender Pay Gap Report

2017

This report highlights our April 2017 results and focus areas for diversity in the workplace.



Welcome to Our First Gender Pay Gap Report

Our people work everyday to delight the world's beer drinkers and make us first choice for our consumers and customers. We know our people give us our competitive advantage and it is the authentic relationships our people create internally and externally that continue to give us that advantage.

We want to continue to create an environment where our people are truly able to be themselves at work, regardless of their gender, ethnicity, sexual orientation or religion. We want people to be able to bring their own creativity and style to work, so that we get diversity in our thinking across our organisation, as we believe that we are a better business for it.

This makes our talent strategy simple – we want the best talent in all our roles, regardless of their background.

This report focuses on gender pay and this is the first year companies are required to report these results in the UK & Ireland. Our results show that our pure pay gap is 0.61% when we take out certain elements required in the official reporting, such as car cash allowances and shift pay, and our bonus practices mean that the proportion of men and women who received a bonus is exactly the same. And importantly, with the increasing number of senior female leaders in our business, we believe our bonus pay gap will reduce.

We are pleased and not surprised by our findings. They reinforce that we have a strong reward philosophy that ensures fair, transparent and consistent processes, and give us real confidence that we can continue to attract, retain and reward people in the right way.

We confirm that the information and data reported is accurate as of 5th April 2017.



Phil Whitehead
Managing Director,
UK & Ireland



Adam Firby
Human Resources Director,
UK & Ireland



“Not only have Molson Coors provided opportunities, they have also given me choices. When I said no to a role because it wasn’t the right time, they respected that. When I was ready, they gave me flexibility to shape it around my strengths.”

Laura Lee, Director of Customer Excellence,
Molson Coors Europe



“We are a very open-minded company with a culture that embraces everyone. I can genuinely say I have never experienced any barriers in growing my career at Molson Coors. I would say that my career is a testament to Molson Coors’ ethos in what might have traditionally been seen as a male-dominated arena.”

Victoria Segebarth,
Vice President, UK & Ireland Supply Chain

How We Do the Maths

The criteria for reporting the gender pay gap has been developed by the UK Government.

They are:

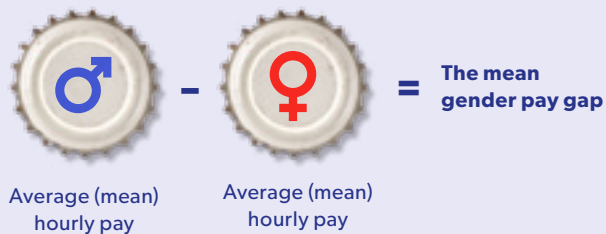
- Mean (average) and median (middle) base pay gap across all employees
- Mean (average) and median (middle) bonus gap across all employees
- Proportion of males and females who received a bonus payment
- Proportion of males and females per earnings quartile

GENDER PAY GAP VS EQUAL PAY: WHAT'S THE DIFFERENCE?

Equal pay is paying people the same salary for doing work of equal value, regardless of gender. This has been UK law since 1970.

The gender pay gap measures the difference between the average earnings of men and women. The mean gender pay gap shows the difference in the average hourly rate of pay between men and women in a company.

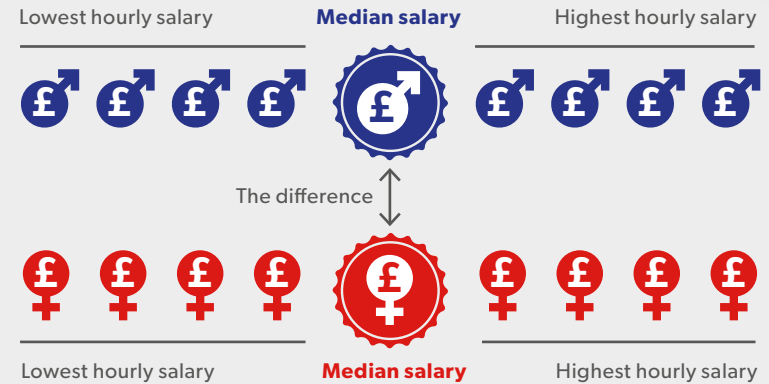
MEAN GENDER PAY GAP



What does this mean in practice?

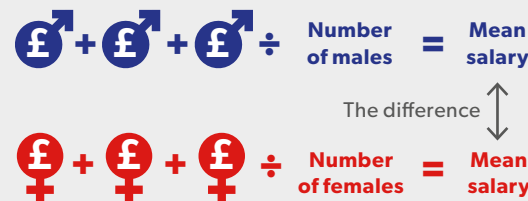
THE MEDIAN

Put all a company's men in line from lowest to highest hourly salary. Now put all the women in line next to them, also from lowest to highest hourly salary. Find the man and woman at the centre of their lines and work out their salary difference.



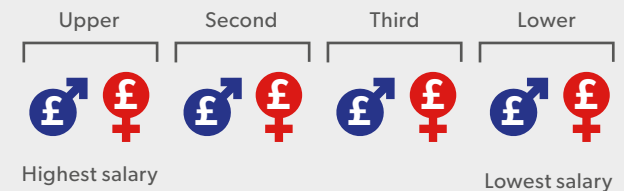
THE MEAN

To get our mean, we compare the average hourly salaries between all men and women. We do the same with bonus payments for men and women over every 12-month period.



THE QUARTILES

We also work out how many women and men are in each **quartile** pay range by listing all salaries and then splitting them into four equally sized groups, ranging from highest to lowest.



In Numbers: The Data Behind Diversity

We calculated our gender pay gap performance by compiling salary data on 1,991 employees. Of these employees, 1,417 (71%) were male and 574 (29%) were female. The statistics here cover all MCBC UK employees, excluding our Northern Ireland and Republic of Ireland employees, and our Sharp's business who the Government has determined as not reportable as part of their requirements.

THE BIG PICTURE

What does gender pay look like across the UK as at date of publish.

18.4%

The UK's national average median pay gap

46%

Women represent just under half of the UK's labour force

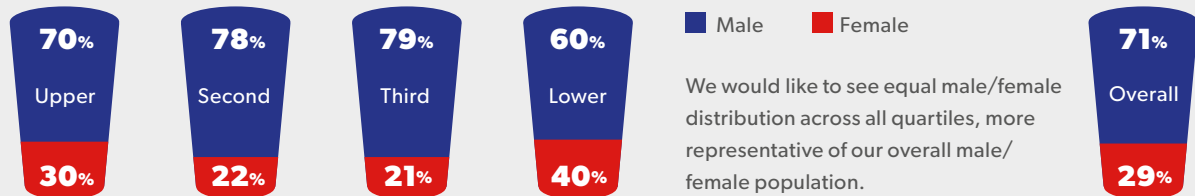


17.4%

The UK's national average mean pay gap

Although we don't reference our Northern Ireland, Republic of Ireland, and Sharp's employees in this report, we've run the numbers and they are similar; our strategy to close the gender pay gap applies to everyone.

SALARY QUARTILE DISTRIBUTION



BASE GENDER PAY GAP

Mean

5.78%

0.61% (pure pay gap)

Median

7.35%

-0.62% (pure pay gap)

We've done some detailed analysis to understand the story behind the numbers and we found:

86%

of people that receive additional pay benefits are men. That's because...

98%

of people in roles where we pay shift or inconvenience pay are men

75%

who choose to opt out of the company car scheme and take cash are men

BONUS GENDER PAY GAP

Mean

26.47%

Median

5.38%

Because of the different ways that employees receive bonus pay, we see a sharp contrast in our mean payments, at 26.47%. Our median is far closer, at 5.38%. It's worth noting that these figures include LTIP vested awards (a Long Term Incentive Plan eligible to Senior Leaders), but only 12% of those that received a vested LTIP award in April 2017 were female. This figure should rise now as we have increased female representation (31%) in our senior leadership roles.

PERCENTAGE OF MEN AND WOMEN RECEIVING BONUS PAYMENTS

Female
96%

Male
96%

Moving Forward

Supporting a diverse environment where people are able to truly be themselves at work.

Since 2014, we've come a long way. We've improved female representation of our senior leadership teams by 19%, and whereas five years ago 26% of senior managers and above were women, today, it's 30%.

We look forward to the impact our initiatives will make and to reporting even better figures in the years to come.

So what next?

Our initiatives are aligned with our global Diversity & Inclusion strategy. We will:

1 EQUIP LEADERSHIP

Continue to remove unconscious bias in our hiring practices by:

- Including unconscious bias in our Brilliant Hiring & People Management training
- Improving our recruitment processes internally and externally through utilising specific technology to review job adverts and job descriptions to remove unconscious bias.

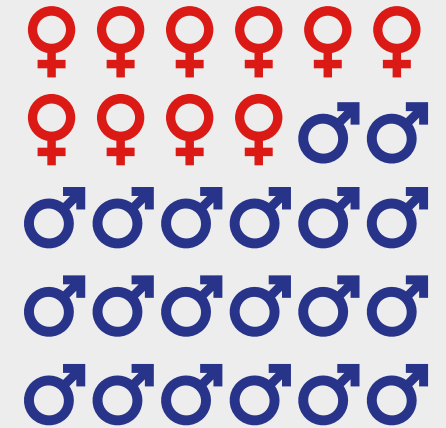
2 EMBED PRACTICES

Encourage women back into the workplace and further develop Molson Coors as a great place to work by:

- Reviewing our flexible working practices
- Reviewing our parental leave practices

3 CHAMPION OPPORTUNITIES

Continue to support cross-functional career progression and ensure that merit alone determines our future leaders.



30% of senior managers and above are women

