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Diageo publishes gender pay report with ambition to become best employer for women in the UK

- **Combined Diageo Great Britain and Scotland¹ median pay gap of +8.6%**
 - **Diageo Great Britain median pay gap of -9.8%**
 - **Diageo Scotland median pay gap of +16.7%**

Today, Diageo publishes its Gender Pay Gap Report showing a median pay gap of +8.6% for Diageo employees across all legal entities in Great Britain, significantly lower than the ONS Great Britain median pay gap of +18.8%². The mean pay gap across these businesses is +0.6%. We are pleased with the progress made on diversity and inclusion at Diageo and are clear on our ambition to go further and close the gap.

We will deliver more opportunities for women working in Diageo's businesses and our goal is to make Diageo the company women want to join. Diageo ranked third in the 2017 'Hampton Alexander Review FTSE 100 for Women on Boards and in Leadership' and jointly held the top position for Companies with Female Executive Directors in the 2017 'Cranfield School of Management Female FTSE Report'. In April 2018, Diageo plc's Board of Directors will reach gender parity, when Ursula Burns starts her role as Non-Executive Director. 40% of our global Executive Committee are women and more than 30% of our global senior leadership team are women. Achieving gender equality and developing a strong, talented pipeline of future female leaders underpins our firm belief that a more diverse and inclusive workforce accelerates business growth.

Across England and Scotland, Diageo has two legal entities with more than 250 employees, Diageo Great Britain and Diageo Scotland. Across these businesses, we employ approximately 4,500 people.³ Diageo Great Britain employs 1,300 people in functional roles, the packaging of beer and the distribution, marketing, import and sale of beer and spirits across England and Wales. Diageo Scotland employs 3,200 people, primarily in a 24/7 manufacturing business, which includes distilling, maturation and bottling of our Scotch whisky, gin and vodka brands.

In our Diageo Great Britain business, we have a median gender pay gap of -9.8%. This position reflects the good progress made to date on developing, promoting and recruiting female talent into more senior roles within the company. We invest in job design to support flexible working to retain female talent; in coaching pre, during and post maternity leave; and in ongoing training of our managers to remove any unconscious bias.

In our Diageo Scotland business, we have a median pay gap of +16.7%. This gap is driven by a large number of manufacturing roles, which struggle to attract women in part due to unsociable shift patterns. The other driver of our pay gap in Scotland is that currently, there are fewer women at senior levels. We are making progress in this area and are building a strong, diverse talent pipeline.

We are committed to closing the gap across these businesses. We already provide training and mentoring for women at all stages of their careers to support their development as leaders. Moving forward, we are also identifying opportunities in Scotland including creating scholarships for Science, Technology, Engineering and Mathematics (STEM) students and supporting leadership development through our Women and Leadership in Supply programme.

¹ Diageo's combined gender pay data includes all employees across Diageo Great Britain legal entities.

² ONS data as at 26 October 2017

³ As of 5 April 2017

Mairéad Nayager, Human Resources Director, Diageo said, “I very much welcome the UK Government’s initiative on gender pay gap reporting. Just last week, Diageo ranked third in the 2017 ‘Hampton Alexander Review FTSE 100 for Women on Boards and in Leadership’. I am proud of the progress we are making at Diageo with gender, ethnicity and sexual orientation and want us to go further. Creating a truly diverse and inclusive culture is not only the right thing to do, it supports the success of our company.”

To review Diageo’s Gender Pay Report visit www.diageo.com

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For further information

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Notes to Editors:

- Ranked 3rd in the 2017 ‘Hampton Alexander Review FTSE 100 for Women on Boards and in Leadership’.
- Joint top position in the ‘Cranfield School of Management Female FTSE Report 2017 for Companies with Female Executive Directors’.
- Named 11th World’s Best Workplace for 2017, by Great Place to Work®.
- Ranked 5th Most Diverse and Inclusive Workplace in the Thomson Reuters Diversity & Inclusion index 2017.
- Ranked 10th out of more than 3,000 companies from around the world in Equileap’s Gender Equality Global Report and Ranking 2017.

- For the purpose of this reporting Diageo has two legal entities with more than 250 employees: Diageo Great Britain and Diageo Scotland.
- In addition to the statutory requirements, we are also providing combined Diageo Great Britain and Scotland numbers, which includes all employees across Diageo Great Britain legal entities.
- Employees based in Northern Ireland are not included in this data. The Northern Irish Assembly has committed to bringing in their own Gender Pay Reporting requirements but to date no further details have been released.