

DIAGEO

# Republic of Ireland *Gender Pay Gap Report* 2023



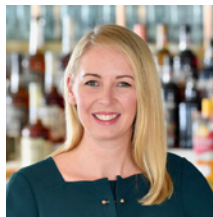
## Foreword

Our ambition is to be *one of the best performing, most trusted and respected* consumer products companies in the world.

Diageo's purpose is to celebrate life, every day, everywhere, and core to this is championing inclusion and diversity across our entire business. This commitment applies to the way in which we attract, develop and retain talent, how we celebrate diversity and challenge stereotypes through our brands, and how we create a more equal society and opportunities for everyone through our work with our suppliers and within the communities in which we operate.



**Barry O'Sullivan**  
Managing Director



**Geraldine Joanes**  
HR Director

### In this report

Improving gender balance in our organisation and creating a more diverse workforce are key priorities for us. In this report, we provide gender pay gap information for our businesses in the Republic of Ireland. We identify the causes of the pay gap and outline our ongoing plans for closing this gap. These plans include removing barriers, challenging stereotypes, and creating opportunities, particularly for women, in respect of roles that are more likely to be filled by men.

Diageo employs 972 people in the Republic of Ireland across three legal entities - Diageo Ireland Unlimited Company ("Diageo Ireland"), R&A Bailey & Co Unlimited Company ("Bailey's") and Guinness Storehouse Limited ("Guinness Storehouse"). Only Diageo Ireland, which employs 617 people, is covered by the regulations. We therefore report separately for Diageo Ireland while also providing combined data across the Republic of Ireland.

### Where we stand

In 2023, our second year of reporting, we have improved our mean gender pay gap across our combined entities as well as for Diageo Ireland. Our mean pay gap for our three businesses combined has narrowed from +3.7% to +2.9% and for Diageo Ireland from +5.5% to +5.4%, in favour of men. We are proud of the progress we are making, but we know there is more to do. We believe the policies we have in place will help to create a more gender balanced company at all levels.

Through our market-leading policies and practices, we aim to ensure that everyone working in Diageo can thrive. We have some of the most progressive work practices in Ireland, including our highly advanced family leave policy, and are proud to say that sixty percent of Diageo Ireland's Board of Directors are women. Like many businesses employing large numbers of science, technology, engineering, and mathematics (STEM) professionals, we continue to face challenges in operational areas such as manufacturing, planning and logistics where women continue to be underrepresented - we describe some of our actions in this area on page 5.

### Looking ahead

Championing inclusion and diversity is one of our strategic priorities as part of our 'Society 2030: Spirit of Progress' ESG global action plan. We are pleased by the overwhelmingly positive response we've received from employees to the initiatives we've launched in the last few years, including our ground-breaking Family Leave policy, 'Thriving Through Menopause' guidelines and fertility support. We have been recognised by the FTSE Women Leaders Review and the Bloomberg Gender-Equality Index, among others, for our work on promoting gender equality. This report provides an opportunity for us to explain who we are, what we do for our people and the importance we place on ensuring women can thrive in our business.

### Fast facts 2023

<b>73%</b>	of Diageo's Global Board of Directors are female
<b>50%</b>	of Diageo's Global Executive Committee are female
<b>44%*</b>	of Diageo's global senior leadership positions are held by females
<b>972</b>	employees across Diageo's businesses in the Republic of Ireland
<b>+2.9%</b>	Mean pay gap in Diageo's business in the Republic of Ireland
<b>50%</b>	of Diageo's Ireland Demand Executive Committee are female

\* Within PwC's independent limited assurance scope - see pages 263-266 of the Diageo Annual Report 2023.

## Measuring the pay gap

The gender pay gap shows the *difference in average pay* between women and men.

The gender pay gap shows the difference in average pay between women and men. Positive measures (percentages with a '+') indicate the extent to which women earn, on average, less per hour than men. Negative measures (percentages with a '-') indicate the extent to which women earn, on average, more per hour than men. The gender pay gap does not measure equal pay, which relates to what women and men are paid for the same or similar jobs or work of equal value.

### Calculating our numbers

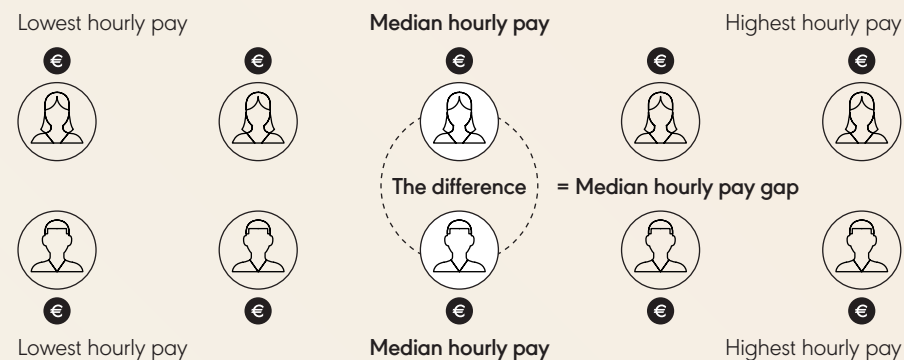
Under the Ireland Gender Pay Gap Act 2021, all legal entities in the Republic of Ireland with more than 250 employees are required to report their gender pay gap. Diageo employs 972 people in the Republic of Ireland across three legal entities: Diageo Ireland (617), Baileys (188) and Guinness Storehouse (167). Only Diageo Ireland is covered by the regulations, so we report separately for Diageo Ireland while providing combined data covering all employees across the Republic of Ireland. These businesses incorporate a mix of office-based roles across functions such as corporate relations, marketing, finance, human resources, procurement and sales, as well as manufacturing roles and field-based sales roles.

In this report, as required by the regulations, we disclose the median and mean (average) pay gaps between men and women's hourly pay and bonuses, including part-time and temporary roles, and the percentage of men and women receiving benefit in kind, which is defined in Ireland as including "any non-cash benefit of an estimated monetary value" provided to an employee. At present under the regulations, we are not required to report the estimated value of such benefits.

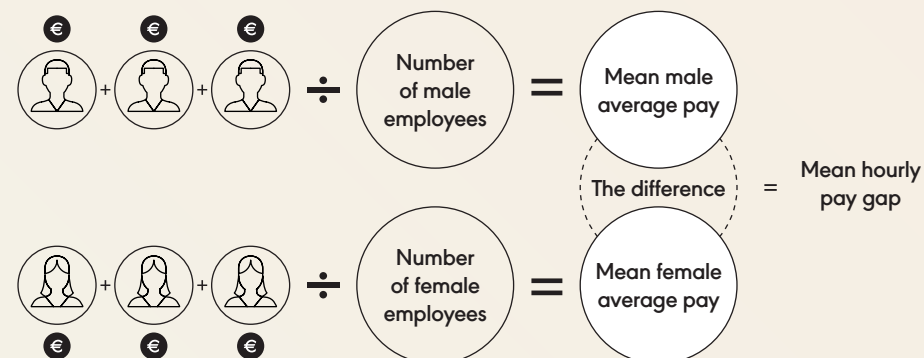
Businesses registered in Ireland can choose their own snapshot date and report data on their employee gender pay gap based on the preceding 12-month period. In 2023 our snapshot date is 30 June, as it was in 2022. It should be noted that the median and mean pay figures are inclusive of any bonus payments made in the 12-month period.

### Calculating the difference

#### How we calculate the median difference



#### How we calculate the mean difference



## Understanding our pay gap

### Diageo Republic of Ireland<sup>1</sup>

The mean hourly pay gap is now +2.9%, which we are proud to say is down from +3.7% last year. These calculations are based on 415 women and 557 men employed on the snapshot date of 30 June 2023. At the same time, our combined median gender pay gap increased to +11.5%. Although this is a relatively modest increase, we continue to evaluate and improve how we approach hiring and promoting employees, and how we retain talent across our businesses.

We have made progress on improving our gender balance during 2023 with women now accounting for 42.7% of employees, compared to 39.9% in 2022. We are continuing to strive towards having a more even gender split in our employee population and in all pay quartiles as part of our overall commitment to diversity and inclusion in our workforce. It will also be a key enabler in closing our pay gap.

We saw an increase in overall employee numbers during the year as our businesses in Ireland continue to grow. The number of employees in scope has increased by 20.1% compared to 2022.

These pay gap figures cover employees fulfilling different types of functions and roles across all entities, from office-based roles to manufacturing. Our gender pay gap is primarily influenced by our manufacturing operation and our overall gender balance, particularly in the upper pay quartiles. Across the business, 54% of our employees work in manufacturing functions.

These roles require shift work that attract an additional premium. This, together with a higher representation of men in manufacturing, influences the pay outcomes in favour of men.

We have three legal entities in the Republic of Ireland. In our smaller entities, Guinness Storehouse and Baileys, which together employ 355 people, our mean pay gaps are +7.2% and -13.7% respectively. Diageo Ireland, which is the largest entity, has a pay gap of +5.4% and is discussed separately.

In 2023, our mean bonus pay gap narrowed from -14.6% to -4.6%. Our pay gap is a result of a higher representation of women in roles with higher bonus and Long Term Incentive Plan (LTIP) potential and reflects business outcomes which positively impacted bonus schemes in the reporting year. We've also seen a slight fall in the number of women receiving a bonus payment, down to 74.7% from 78.9% in 2022 and this has contributed to a reduced pay gap.

The part-time employee data is based on a small number of employees with the calculations including just 22 women and 10 men. This has resulted in a significant pay gap in favour of women which can be attributed to the small data pool and the disproportionate number of women within that pool. We would expect our outcomes for this employee group to experience volatility in future years given that this contract type represents a very small proportion of our total employee population.

The temporary employee mean gap at -2.2% reflects a relatively neutral gap within this group. These roles are represented across all three entities and account for 13% of the overall workforce.

All employees received benefits in kind as part of their remuneration packages. Diageo provides all staff with various non-cash benefits including Life Assurance and an Employee Assistance Programme (a service available to all employees, providing free, confidential counselling and advice 24/7).

Median hourly pay gap

**+11.5%**

2022: +8.2%

Mean hourly pay gap

**+2.9%**

2022: +3.7%

% receiving a bonus payment



**83.5%**

2022: 83.3%



**74.7%**

2022: 78.9%

Median bonus pay gap

**-3.0%**

2022: -9.4%

Mean bonus pay gap

**-4.6%**

2022: -14.6%

% of total employees

**57.3%**



**42.7%**

1. Includes all employees across our Republic of Ireland legal entities.

# DIAGEO

## Gender Pay Gap Report 2023

### Understanding our pay gap continued

#### Diageo Ireland

Our Diageo Ireland employees work in manufacturing and supply roles, field-based sales roles, and a wide variety of office-based roles in functions such as sales, marketing, finance, procurement, human resources and digital technology.

Our mean pay gap in Diageo Ireland has moved from +5.5% to +5.4%. This is primarily because of the large number of manufacturing operations roles (55%) in the workforce. These roles are more likely to be filled by men than women. The gap is also influenced by fewer women being represented in the upper pay quartiles in Diageo Ireland. We are committed to continuing to improve our overall gender balance and female representation in the higher pay quartiles.

Our mean bonus pay gap for Diageo Ireland has moved significantly from -12.5% in 2022 to -0.8%. Our pay gap is primarily due to a greater representation of women in roles with higher bonus and LTIP potential as well as business outcomes which positively impacted bonus schemes in the reporting year. Changes in the proportion of men and women receiving a bonus payment has also contributed to achieving a more neutral pay gap in 2023.

In 2022 all our part-time employees in Diageo Ireland were women, so no mean or median pay gaps were available for reporting. That changed in 2023 when there were both male and female part-time employees enabling us to report on the gender pay gap for this cohort for the first time. Our mean pay gap for part-time employees is -13.6%. However, it is important to note that we only have 14 part-time employees. This pay gap reflects the disproportionate number of women in a very small sample size. Achieving greater gender balance in our part-time employee base remains an area of focus.

Our mean pay gap for temporary employees has reduced significantly from +11.7% to +1.3%. Like our part-time employee group, this is a small population representing 11% of the total employees in Diageo Ireland. In 2023 we had equal representation of men and women in this employee group, but a slightly higher proportion of men are performing roles which attract higher pay and this has resulted in a small pay gap.

In line with group practice, all employees receive benefits in kind as part of their remuneration packages.

Median hourly pay gap

**+10.3%**

2022: +9.9%

Mean hourly pay gap

**+5.4%**

2022: +5.5%

% receiving a bonus payment



**88.1%**

2022: 85%



**79.4%**

2022: 80.4%

Median bonus pay gap

**+6.7%**

2022: +6.3%

Mean bonus pay gap

**-0.8%**

2022: -12.5%

% of total employees

**55.9%**



**44.1%**



## Closing the gap

### Continuing to make Diageo an even *more inclusive and diverse* business.

We want Diageo to be a company where everyone can thrive. One of our strategic priorities is to champion inclusion and diversity, with an ambition to achieve 50% representation of women in leadership roles by 2030.

Diageo Ireland continues to build on the policies and strategies highlighted in last year's report. Diageo Ireland has crafted a forward-looking Inclusion and Diversity (I&D) Strategy in partnership with team members, underscoring our commitment to intentionally foster an inclusive culture.

Our aim is to empower individual employees, cultivating a profound sense of belonging that, in turn, enhances overall performance. This strategic initiative was bolstered by the invaluable contributions of representatives of various age groups, genders, ethnicities, life experiences, levels of social mobility, and gender identities.

#### Focusing on early career pipelines in our commercial function

Over the past year, concerted efforts have been directed towards cultivating a robust early-career pipeline of future female leaders for our commercial function or field sales team. We have achieved this through the regular implementation of talent assessment centres specifically tailored for our field sales collaborators. At these assessment centres, we ensure that at least 50% of the candidates are women, and they all undergo standardised evaluations by a diverse panel to minimise bias in our selection process.

#### Apprenticeship programmes – Supply

Like many businesses that employ people in science, technology, engineering, and mathematics (STEM) based roles, we have found it difficult to recruit women because they have traditionally been less likely to engage with STEM subjects at school and university. However, our Supply Chain and Procurement apprenticeship programme continues to develop a robust pipeline of future women

leaders in STEM. This year in the Republic of Ireland, 50% of our apprenticeship hires were women. Our four-year apprenticeship programme provides the opportunity for talented women to gain work experience, mentorship and ongoing career guidance while completing their electrical and mechanical engineering qualifications.

#### Bailey's B Corp

One of our proudest moments since our last report was the certification of Bailey's to the B Corp standard in October 2022. The globally recognised B Corp Certification is a designation that a business is committed to positive change by meeting high standards of verified performance, accountability, and transparency on multiple factors ranging from employee benefits and charitable giving to supply chain practices and input materials.

Bailey's is the largest global spirits brand to join the B Corp movement to date. By joining the B Corp community, Baileys has become one

of 5,500 certified businesses working worldwide to create a more inclusive, regenerative, equitable economy for people and planet. This certification is the latest milestone for Baileys in the brand's sustainability journey and supports Diageo's wider 10-year sustainability action plan 'Society 2030: Spirit of Progress'. In the rigorous certification process across Customers, Governance, Workers, Environment and Community, Baileys highest scoring areas were Workers and Environment.

In assessing the score for Workers, all aspects of the employee experience were taken into consideration, including equality and diversity. As of 2022, 75% of the extended Baileys leadership team are women, and all Baileys employees have access to market leading benefits, including six months paid family leave.

## Closing the gap continued

### Inclusion *beyond* Gender.

Diversity is about much more than gender. Diageo Ireland continues to grow in this area, with a number of key initiatives undertaken this year to support inclusion and diversity both within our own organisation and the communities where we work.

#### Stout Out & Co

Stout Out & Co. is an LGBTQIA+ based support resource within St James's Gate Dublin, focusing on building a more inclusive and progressive workplace. The employee resource group's aim is to ensure that St James's Gate is considered a safe, supportive and enjoyable environment for all through awareness and engagement. The group has over 25 members, comprising of representatives from the LGBTQIA+ community and their allies.

In June 2023, Stout Out & Co attended the Dublin Pride March, the first time that Diageo has been officially represented at the event.

#### Disability Inclusion Guidelines

At Diageo, we believe that everybody should be able to thrive in an environment that values their contribution and celebrates what makes them unique. We embrace diversity in the broadest possible sense, this includes gender, ethnicity, age, sexual orientation, and disability.

Our growing range of policies and guidelines help foster an inclusive environment that supports every employee. Our Disability Inclusion guidelines, introduced in October 2022, were created by employees, in collaboration with our external partner Disability:IN, and are available in 15 languages.

They give everyone knowledge, tools, and guidance to support people with disabilities, covering issues from digital and physical accessibility to appropriate language to enable positive conversations about disability.

#### Learning for Life

Learning for Life is Diageo's business and hospitality skills programme for those seeking employment in the hospitality industry, but who may have faced barriers to education and employment. It provides equal access to business and hospitality skills and resources to increase participants' employability, improve livelihoods and support a thriving hospitality sector that works for all. In partnership with local educational, governmental, and training organisations, Learning for Life supports the growth of the individuals involved, of Diageo, and the hospitality industry overall.

Diageo Ireland trained 175 individuals through the programme during the 2023 financial year.



Learning for Life Graduates from our 2023 programmes

## Case study

### Empowering our people through family leave.

Our ambitious Family Leave policy, introduced in 2019, for all parents, regardless of gender, is one of the ways we continue to demonstrate our commitment to gender equality. The policy offers all employees 26 weeks family leave, on full pay. It applies regardless of how our people become parents - biologically, through surrogacy or through adoption. This means that men can take more paternity leave than the statutory paid two weeks and can support their partners as equal caregivers.

On top of this, shared parental leave helps women feel more supported both as careerwomen and as parents by combatting the impact that extended time off could have on their careers. We also support parents transitioning back into work through Keeping in Touch (KIT) days, parental coaching, and free counselling.

We enhanced our Family Leave policy in June 2022 by introducing Pregnancy Loss Guidelines, an area that is poorly understood because it is rarely spoken about openly. The guidelines aim to promote a supportive, compassionate atmosphere, shedding light on various forms of pregnancy loss and offering guidance for employees who are going through this or want to support someone who is.

Since the launch of our progressive Family Leave Policy in the Republic of Ireland, we have seen an increasing number of men taking family leave. During the past year, for the first time, more men than women have taken family leave

demonstrating great progress towards gender parity and equality in our company. This is a positive shift for both the overall wellbeing of families and for gender equality, with men and women having more equal opportunities and support both inside and outside of the workplace.

Andy has been part of the Diageo Baileys team for just over a year, having joined Diageo in September 2022. He is currently working as a Training and Capability Manager in Baileys Global Supply. Andy returned from his first experience of family leave in September and was happy to share his experience.

"My manager was extremely supportive of my taking family leave. I approached the topic with her quite early as I wanted to give plenty of notice. We were able to put a solid cover plan in place for my post while I was on leave. That gave me a lot of confidence about going away. The process of notifying my manager, creating a plan, and then doing the necessary steps with HR was smooth and the policy was clear."

"The first six weeks of my family leave enabled me to share the load of what it means to have a new child with my wife. That was huge. We both had a shared understanding of Rory's routine and what his needs were. This meant that we were both comfortable in terms of looking after him in a way that I would not have been if I'd been at work and coming home to try and understand it. Those first six weeks needed two people hands-on to manage it.

Further on through my family leave it just made everything else easier and more enjoyable."

"I have a much closer relationship with my son. I also have a much better understanding and appreciation of what it means for my partner to be able to stay home and look after our son."

**"We were both comfortable in terms of looking after him in a way that I would not have been if I'd been at work and coming home to try to understand it."**



Andy Chambers



## Case study

### Empowering our people through family leave.



Jennifer Gleeson

Jennifer has been part of the Diageo Ireland team for the past six years, working across roles in Sponsorship and Marketing. She is currently working as a Senior Brand Manager in the Marketing team. Jennifer returned from her second family leave in July 2023 and was happy to share her story about her experiences of family leave through Diageo.

"A week after I had Senan, my second born, we broke ground on our house. My husband was able to take the two weeks of state paternity leave which was great, but a very different experience to what is offered in Diageo! A fortnight before I came back to work, we moved into that house which was incredible. As this was my second period of family leave, it meant that I got to spend time with both my newborn Senan and my older son Con. He has had some additional developmental challenges which came to light during my family leave. If I had not had that period, I don't know how I would have processed that as it was a really difficult time from a family point of view. Having protected time away from work allowed me to put services in place for him and navigate challenging support systems."

"I regularly kept in contact with my colleagues throughout my time on family leave, which was great at helping me keep up to date with what was happening across the company. I have a lovely group of friends in work, some of whom were on family leave at the same time and we met up regularly with our kids. It helps to make

**"I would highly recommend new parents to *take the opportunity of family leave.* This is such a special time with your family."**

coming back from family leave feel a lot more natural as well."

"Being back in work gives me a different sense of purpose as well. When you are on family leave your sole focus is the kids and their immediate needs which dictate the rhythm of your days. When I came back to work, I enjoyed the shift back to focusing on my needs and my career and the sense of purpose that brings; I think it makes you an even better parent and role model for your kids. You're also much more productive and motivated to want to do a great job, not just for you, but for your family as well."

"I would highly recommend new parents to take the opportunity of family leave. This is such a special time with your family. I think our senior leaders could play a really important role, particularly those who have kids, to talk about how they navigated those early years. Learning how to balance a career with a thriving family is an ongoing lesson for all working parents and it would be great to hear regularly from our senior leaders on this."

## Statutory disclosures

### Diageo Republic of Ireland

	2022	2023
% male/female employees	60.1% / 39.9%	57.3% / 42.7%
Median hourly remuneration gap	+8.2%	+11.5%
Mean hourly remuneration gap	+3.7%	+2.9%
Median bonus pay gap	-9.4%	-3%
Mean bonus pay gap	-14.6%	-4.6%
% males / females receiving a bonus payment	83.3% / 78.9%	83.5% / 74.7%
Median hourly remuneration gap part-time employees	-109.9%	-69.4%
Mean hourly remuneration gap part-time employees	-114.1%	-85.7%
Median hourly remuneration gap temporary employees	0.0%	+16.5%
Mean hourly remuneration gap temporary employees	+1.2%	-2.2%
% of male employees who received benefit in kind	100%	100%
% of female employees who received benefit in kind	100%	100%
Upper quartile (male/female %)	63.4% / 36.6%	58.4% / 41.6%
Upper middle quartile (male/female %)	63.9% / 36.1%	64.2% / 35.8%
Lower middle quartile (male/female %)	58.6% / 41.4%	55.6% / 44.4%
Lower quartile (male/female %)	54.5% / 45.5%	51.0% / 49.0%

### Declaration

We confirm the information and data reported is accurate as of the snapshot date 30 June 2023



**Barry O'Sullivan**  
Managing Director



**Geraldine Joanes**  
HR Director

### Diageo Ireland

	2022	2023
% male/female employees	58.7% / 41.3%	55.9% / 44.1%
Median hourly remuneration gap	+9.9%	+10.3%
Mean hourly remuneration gap	+5.5%	+5.4%
Median bonus pay gap	+6.3%	+6.7%
Mean bonus pay gap	-12.5%	-0.8%
% males / females receiving a bonus payment	85% / 80.4%	88.1% / 79.4%
Median hourly remuneration gap part-time employees	Unavailable*	+8.4%
Mean hourly remuneration gap part-time employees	Unavailable*	-13.6%
Median hourly remuneration gap temporary employees	+11.4%	+19.1%
Mean hourly remuneration gap temporary employees	+11.7%	+1.3%
% of male employees who received benefit in kind	100%	100%
% of female employees who received benefit in kind	100%	100%
Upper quartile (male/female %)	61.0% / 39.0%	53.9% / 46.1%
Upper middle quartile (male/female %)	64.7% / 35.3%	67.5% / 32.5%
Lower middle quartile (male/female %)	61.3% / 38.7%	59.1% / 40.9%
Lower quartile (male/female %)	47.8% / 52.2%	43.2% / 56.8%

All hourly pay rates include bonus payments within the reference period 01 July 2022 - 30 June 2023

\*All part-time employees for Diageo Ireland were women, so no mean or median pay gaps were available for reporting

# DIAGEO

*Celebrating life,*  
**every day, everywhere**

**Diageo Ireland**

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