

A group of women are seated at a long wooden table in a meeting room, each with a laptop open in front of them. The woman in the foreground, on the right, is smiling broadly and looking towards the camera. She has dark hair pulled back and is wearing a black turtleneck sweater. Behind her, several other women are focused on their work, some looking at their laptops and others at documents. The room has a modern, professional feel with a patterned wall in the background.

DIAGEO

# Republic of Ireland *Gender Pay Gap Report* 2022

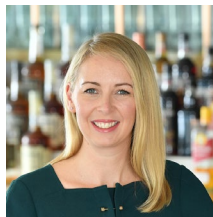
## Foreword

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. We welcome the new Gender Pay Gap regulations and the encouragement for transparency on gender pay. In this report, we talk about the gender pay gap in the Republic of Ireland and highlight where we face challenges, what affects our gap and what we are doing to close it.

Diageo employs 809 people in the Republic of Ireland across three legal entities - Diageo Ireland, Baileys and Guinness Storehouse. Only Diageo Ireland, which employs 545 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

Our 2022 mean pay gap in the Republic of Ireland is +3.7%, while our median pay gap is higher at +8.2%. For Diageo Ireland, our gap is slightly wider in favour of men at +5.5%. Although we know there is more work to do, we're encouraged by the policies we have in place that will help to create a more gender-balanced company at all levels.

We know that the best performing businesses prioritise inclusion and diversity. Building on the Guinness heritage, our commitment starts with our people. Through shaping 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 and are proud to say that half of our Diageo Ireland Demand Executive team are women.

Like many businesses in science, technology, engineering and mathematics (STEM) we continue to face challenges in operational areas such as manufacturing, planning and logistics where women continue to be underrepresented - and we describe our actions in this area on page 6.

### 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're encouraged by the overwhelmingly positive response we've received from employees on initiatives we've launched in the last few years, including our ground-breaking Family Leave policy and 'Thriving Through Menopause' guidelines. 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 us with the opportunity 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 2022

**64%** of Diageo's Global Board Directors are women

**38%** of Diageo's Global Executive Committee are women<sup>1</sup>

**44%<sup>Δ</sup>** of Diageo's global senior leadership positions are held by women<sup>1</sup>

**809** employees across Diageo's businesses in the Republic of Ireland<sup>1</sup>

**+3.7%** Mean pay gap in Diageo's business in the Republic of Ireland<sup>1</sup>

**50%** of Diageo's Ireland Demand Executive team are female

<sup>Δ</sup> Within PricewaterhouseCoopers LLP's (PwC) independent limited assurance scope. For further detail and the reporting methodologies, see our ESG Reporting Index 2022

<sup>1</sup> As at 30 June 2022

## 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.

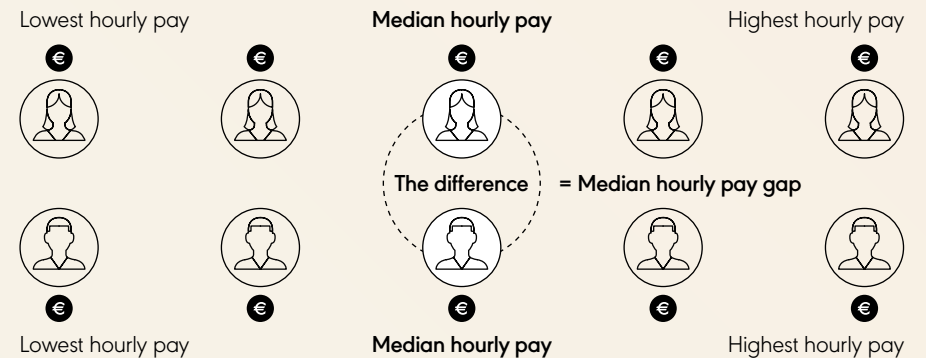
Diageo employs 809 people in the Republic of Ireland across three legal entities - Diageo Ireland, Baileys and Guinness Storehouse. Only Diageo Ireland, which employs 545 people, is covered by the regulations. We therefore report separately for Diageo Ireland while providing combined data covering all employees across the Republic of Ireland, including those in legal entities with less than 250 employees.

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.

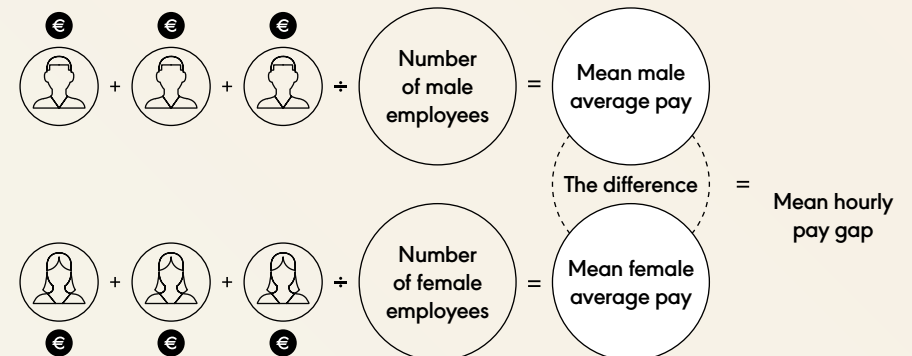
Businesses registered in Ireland can choose their own snapshot date and report data on their employee gender pay gap based on the preceding 12-month period. For Diageo Ireland, that date is 30 June 2022. It should be noted therefore that the median and mean pay figures are inclusive of any bonus payments 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 overall Diageo Republic of Ireland mean hourly pay gap is +3.7%. Our median pay gap is higher at +8.2%, but the two headline results are encouraging and testament to the initiatives we've been delivering to support our inclusion and diversity agenda. These calculations are based on 323 women and 486 men employed on the snapshot date of 30 June 2022.

These overall pay gap figures incorporate employees fulfilling different types of functions and roles across all entities, from office-based roles to manufacturing. Across the business, 59% of our employees work in manufacturing functions. These roles require shift working 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 264 people, our mean pay gaps are lower than the overall total, at -9% and +3.2% respectively. Guinness Storehouse is our retail customer experience centre where we have employees in both operational and functional roles. The Guinness profile contains a greater proportion of women in more senior roles, with a 62.5% representation of women in the upper quartile.

Diageo Ireland, which is the largest entity, has the wider pay gap at +5.5% and is discussed separately.

The mean bonus gap (in favour of women) in the Republic of Ireland is as a result of the higher representation of females in roles with higher bonus potential, and is a reflection of stronger business outcomes which positively impacted bonus schemes in the reporting year.

The part-time employee data is based on a small number of employees of which two thirds are women. This has resulted in a significant minus pay gap which can be attributed to the small data pool and the disproportionate number of men within that pool.

The temporary employee mean data at +1.2% reflects a very marginal gap within this group. These roles are represented across all three entities and account for 8% of the overall population.

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.

Median hourly pay gap

**+8.2%**

Median bonus pay gap

**-9.4%**

Mean hourly pay gap

**+3.7**

Mean bonus pay gap

**-14.6%**

Median hourly remuneration gap part-time employees

**-109.9%**

Mean hourly remuneration gap part-time employees

**-114.1%**

Median hourly remuneration gap temporary employees

**0.0%**

Mean hourly remuneration gap temporary employees

**+1.2%**

% receiving a bonus payment



**83.3%**

% of male employees who received benefit in kind

**100%**

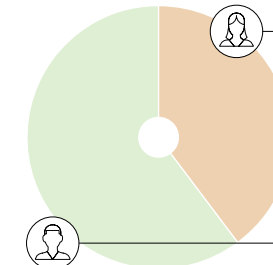


**78.9%**

% of female employees who received benefit in kind

**100%**

% of total employees



**39.9%**

**60.1%**

1. Includes all employees across all of Diageo's legal entities in the Republic of Ireland, not only those large enough to fall within the regulatory requirements

## 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, HR and digital technology.

Our mean pay gap in Diageo Ireland is slightly wider than the other two Republic of Ireland entities at +5.5%. This is primarily because of the large number of manufacturing roles at 56.3%. These roles are more likely to be staffed, with a greater representation of men than women. Our gap is also influenced by fewer women being represented in the upper quartile for Diageo Ireland.

Our mean bonus pay gap for Diageo Ireland, in favour of women at -12.5%, is as a result of the greater representation of women in roles with higher bonus potential in this entity, and as a reflection of stronger business outcomes which positively impacted bonus schemes in the reporting year.

All of our 11 part-time employees in Diageo Ireland are women, so no mean or median pay gaps were available for reporting. Achieving greater gender balance in our part-time employee base is an area of focus for the future.

Our mean pay gap for temporary employees favoured men and was again reflective of a small population representing just under 9% of the total employees in this entity. This is influenced by a slightly higher proportion of men in more senior roles. Additionally, our temporary contracts include our Apprenticeship programme which traditionally has attracted more male participants.

All employees received benefits in kind as part of their remuneration packages. Diageo Ireland provides all staff with various non-cash benefits including Life Assurance and an Employee Assistance Programme.

Median hourly pay gap

**+9.9%**

Median bonus pay gap

**+6.3%**

Mean hourly pay gap

**+5.5%**

Mean bonus pay gap

**-12.5%**

Median hourly remuneration gap temporary employees

**+11.4%**

Mean hourly remuneration gap temporary employees

**+11.7%**

% receiving a bonus payment



**85%**

% of male employees who received benefit in kind

**100%**

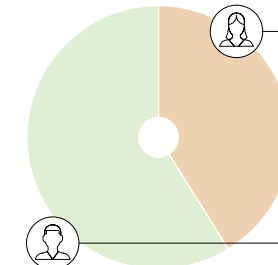


**80.4%**

% of female employees who received benefit in kind

**100%**

% of total employees



**41.3%**

**58.7%**

## Closing the gap

### Making Diageo an even *more inclusive and diverse* business.

We want 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.

#### Our recruitment approach

We want to attract the best and most diverse talent into our business. To achieve this we need to challenge ourselves to remove barriers to reach the diversity ambitions set out in our Society 2030: Spirit of Progress plan, including – but not limited to – gender.

Globally, we've recognised that unconscious bias is a particular challenge. In January 2022 we launched Hiring for Performance across Diageo, a comprehensive learning toolkit that provides resources for hiring managers in attracting, assessing and recruiting the best and most diverse talent. Eliminating bias is critical because it is not enough simply to widen where we recruit from; we also need to make sure that those making the decisions about hiring are more open to diverse candidates.

Across our supply business, we have reframed how we approach hiring in volume, especially in our operator roles within manufacturing where men have traditionally been more represented than women. This year we have begun to move towards programmes to hire in advance of the need to give more time and space to explore new talent pools and sources of recruitment. This is now part of the Supply strategy for future recruitment.

We have also set up an internal task force in Ireland to review how we advertise and ensure our approach is gender neutral. Part of how we're addressing this is through the technology we use to screen candidates. For example, across Diageo we have a partnership with HireScore, which uses artificial intelligence (AI) to screen and rank applicants on how well they suit the roles they have applied for.

#### Building our early careers pipeline

If we want a robust pipeline of talented women as future leaders, we have to get a gender balance at the early careers level. We are addressing this in several ways, one of which is our graduate programme – this year, 63% of our graduates in the Republic of Ireland were women. Another is by hiring junior people with work experience rather than academic degrees. Our apprenticeship programme offers on-the-job experience alongside the chance to study for qualifications. This year we have made strong progress in improving gender diversity within our apprentice programme, with 50% of the 2022 intake being female.

We are also addressing education because, like many businesses that employ people in science, technology, engineering and mathematics (STEM) roles, we find that girls are less likely to choose STEM subjects, narrowing the talent pool we can recruit from. If we can show girls and young women that STEM careers – particularly at Diageo – can be rewarding, then we hope more will apply.

In 2021, we established the Baileys Scholarships Programme to recognise the hard work and determination of secondary school students in academic and personal development. We partner with Business in the Community, who help us to coordinate our participating schools, and the programme recognises six excellent students selected by teachers, counsellors and principals for outstanding academic or social achievements. Each student is awarded an Apple MacBook and the overall winner receives a €2,500 college bursary towards their higher education. Making more progress in education will take time but we are committed to investing in this area to create a more gender-balanced workforce for the future.

## Closing the gap *continued*

### Progressing and promoting women

We've set a goal for gender parity in leadership roles across Diageo by 2030 and we're making good progress in the Demand side of our business, where 50% of the leadership team are women. In the Supply side, 43% of our extended leadership team are female. There is still more to do in this space and elsewhere, and it is important for us to maintain this progress. However, we continue to work towards promoting women across the company, including through making sure that all succession plans include women.

All managers conduct a regular talent review of their teams. This gives the business greater insight on employees' potential and career development options, as well as identifying the health of our talent pipeline, talent priorities and any talent opportunities or gaps. This builds our pipeline for the future through targeted succession plans that help us better prepare for key successors and mean people can more easily move between functions. To help us meet our global strategy of gender parity in leadership roles, we have enhanced our focus on increasing the representation of women within our General Manager and Commercial business areas, where women were historically underrepresented. Each employee is empowered to manage their career and we have a host of tools, guides and learning materials on our internal site that employees can use ahead of quarterly Line Manager reviews.

We are also making progress on improving diversity in our manufacturing operations, an area that has traditionally had a much higher representation of men. During 2022, our Supply sites launched an inclusion and diversity project where site committees rolled out surveys and held focus groups to give feedback on how they can be more inclusive. We are now looking at how

we can take this work forward. In February 2022 we held sessions with senior leaders across the business on personal development during 'Craft my Career' week. We used the event to launch Opportunity Marketplace, an exciting global initiative that helps all Diageo employees develop their skills and gain more experience across different teams. Using AI, people are matched to short-term projects based on skills they wish to develop.

### Embedding policies to promote inclusion

Our guidelines, philosophies and policies are a way for us to directly support our people, whether we are providing resources, time off or protection against forms of discrimination or harassment. They also prompt needed and open dialogue about the challenges our people may experience and reflect our aim to be a better and more inclusive company. This year, we worked on refining policies, promoting awareness amongst employees, and gathering feedback on how we can do more. All our policies are underpinned by our Flex Philosophy, launched in 2019, which promotes flexibility and recognises that people may need to work differently according to their circumstances. In 2021, we built on this by launching our Wellbeing philosophy, which seeks to empower our people to prioritise their wellness through supportive tools targeting the social, physical, mental and financial areas of their lives.

In March 2021, we launched our 'Thriving Through Menopause' guidelines, which provide resources for employees who are going through menopause, or who want to support someone who is. The guidelines were greatly welcomed but they're just the beginning, so this year we are focussing on responding to feedback, and looking into practical tools and training that can support our people further.

Our ambitious Family Leave policy, introduced in 2019, is another way we continue to demonstrate our commitment towards gender equality. The policy offers all employees 26 weeks' paid parental leave, with the first 26 weeks paid in full. 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 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, since it fights the stigma that taking extended time off will affect 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. In the last 12 months, the number of men who engaged in our family leave policy represented 51% of the total. This was a 19% increase in participation of men year on year.

### Diversity beyond gender

Diversity is about much more than gender. Our strategy includes an ambition to increase representation of leaders from ethnically diverse backgrounds to 45% by 2030, while we have also set goals to increase diversity and inclusion throughout our value chain. And in June 2021, we introduced our Gender Expression Guidelines, initially launched in Ireland and now applicable in 40 countries, to support our transgender and non-binary employees. The guidelines support employees who wish to transition and give guidance to line managers and allies. In addition, each employee in Ireland can now, if they wish, confidentially disclose their gender identity through our HR system, and can also confidentially disclose their sexual orientation. Employees are free to use their choice of pronoun.

## Case study

### Empowering our people with opportunities for growth.

For the last three years, Fiona has been Bottling Hall Manager at the Baileys production site at Nangor Road and is part of the site's extended leadership team.

"I'm responsible for ensuring that the bottling hall is running effectively, production is to the highest standards and that our people are working in an environment where they can perform at their best. This is essential in supporting the continued success of our brand."

Fiona has been with Diageo for 26 years. She joined the company in the Guinness Quality Laboratory after completing her degree in Industrial Microbiology. She progressed through several operational roles (Quality, Brewing, Compliance and Environmental) before joining the team at Baileys. When she first started in Diageo, the environment was male dominated. "The Lab team consisted of approximately sixty people and only three of these were female," she said. Diageo has since become significantly more gender diverse. Throughout her career Fiona has not endured negative experiences based on her gender, which she believes is because of the culture that Diageo has adopted.

Developing a team that will be able to share her positive experiences is something that Fiona was keen to do. "Having a diverse team allows us to evolve as a business, therefore it is important they all feel included" she said. She recognises that everybody shares the same basic desire - to be respected and appreciated.

"It's important that people have an opportunity to work in a positive, open environment," she says. "Everyone has something to offer if given the right opportunity."

Fiona has noted that several mentors and leaders have influenced her, helped to shape her thinking, and made a positive impact on her career.

Fiona is grateful for Diageo's support and development over the years, which have allowed her to become the leader she is today and enabled her to have a positive impact on the daily challenges that come her way. "From day one, I found that Diageo focuses on personal growth as much as technical understanding," she said.

Reflecting on Diageo, Fiona sees it as a place that has always given her the freedom to succeed, and she instils that in her own team. "Why would I look outside Diageo when I get to experience new and exciting challenges every day?!"

**"My role is to be the sustainability 'conscience' and 'change agent' within my area to drive progress in the right direction from grain to glass."**



Fiona McLoone



## Case study

### The importance of female role models



Jennifer English

For Jennifer, one of the highlights of her career has been helping to make Baileys a more successful brand each year. “We’re really proud of the brand’s success.”

Jennifer has been at Diageo for 19 years and has had a fascinating career; it’s no wonder she’s now Global Brand Director for Baileys and some of our other brands. Her journey to this point was paved not only by an enjoyment of learning and challenge but also through the synthesis of her scientific and artistic background, both of which have given her a unique perspective in business.

Studying botany at university has given her some surprising business skills. She says: “Botany comes with the skill of being able to sort things – to see which things are alike, which things aren’t and what can be simplified.”

Perhaps one of the biggest changes Jennifer has observed is the cultural shift in what it means to be a woman at work. “Often people think of women working as something new but I come from a long line of working women on both sides of my family which has given me a lot of resolve and determination. My grandmother was a poultry mistress – teaching people how to farm chickens! One great grandmother was a horse trainer and another owned a pub! My mother was a Maths and Science teacher.” The visibility of women who both worked and had families was proof that this was possible for her too. “Recognising the work of women is relatively new as is succeeding in a corporate environment. I am passionate about recognising the work women do across our supply chain, especially the invisible work of women on farms.”

Diageo provided her with the opportunities to apply herself and grow her skills. “I like tough challenges and I’ve been able to take on roles that are totally different to each other.”

One way she demonstrated this was by involving herself in work that aligned with her goals. “My purpose was always to make a more modern world. And to make that happen I had to be the one responsible for the work that would make that world a possibility,” she said. This ultimately got her into the conversations where she could have the greatest impact. Most recently Jennifer announced B Corp certification for Baileys – committing Baileys to be a force for good, delivering for stakeholders such as employees, communities and the environment.

Looking back, Jennifer has seen Diageo evolve and admires how the company is now having a ripple effect on suppliers: “We’ve placed a lot of emphasis on the shortage of female leadership among creative directors in marketing agencies, and this has helped create change in the industry,” she says. “It goes to show how Diageo’s progressive diversity policies create opportunities for people beyond direct employees.”

**“I am passionate about recognising the work women do across our supply chain, especially the *invisible work* of women on farms.”**

## Statutory disclosures

### Diageo Republic of Ireland

	2022
% male/female employees	60.1% / 39.9%
Median hourly remuneration gap	+8.2%
Mean hourly remuneration gap	+3.7%
Median bonus pay gap	-9.4%
Mean bonus pay gap	-14.6%
% males/females receiving a bonus payment	83.3% / 78.9%
Median hourly remuneration gap part-time employees	-109.9%
Mean hourly remuneration gap part-time employees	-114.1%
Median hourly remuneration gap temporary employees	0.0%
Mean hourly remuneration gap temporary employees	+1.2%
% of male employees who received benefit in kind	100%
% of female employees who received benefit in kind	100%
Upper quartile (male/female %)	63.4% / 36.6%
Upper middle quartile (male/female %)	63.9% / 36.1%
Lower middle quartile (male/female %)	58.6% / 41.4%
Lower quartile (male/female %)	54.5% / 45.5%

### Declaration

We confirm the information and data reported is accurate as of 30 June 2022



**Barry O'Sullivan**  
Managing Director



**Geraldine Joanes**  
HR Director

### Diageo Ireland

	2022
% male/female employees	58.7% / 41.3%
Median hourly remuneration gap	+9.9%
Mean hourly remuneration gap	+5.5%
Median bonus pay gap	+6.3%
Mean bonus pay gap	-12.5%
% males/females receiving a bonus payment	85% / 80.4%
Median hourly remuneration gap part-time employees	Unavailable <sup>1</sup>
Mean hourly remuneration gap part-time employees	Unavailable <sup>1</sup>
Median hourly remuneration gap temporary employees	+11.4%
Mean hourly remuneration gap temporary employees	+11.7%
% of male employees who received benefit in kind	100%
% of female employees who received benefit in kind	100%
Upper quartile (male/female %)	61.0% / 39.0%
Upper middle quartile (male/female %)	64.7% / 35.3%
Lower middle quartile (male/female %)	61.3% / 38.7%
Lower quartile (male/female %)	47.8% / 52.2%

All hourly pay rates include bonus payments within the reference period 1 July 2021 – 30 June 2022

1. 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

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