DIAGEO PENSION SCHEME
SCHEME REVIEW 2022

Read this update to see what's been happening in your Scheme this year.

DIAGEO

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CHAIRMAN'S REPORT

Welcome to the 2022 Diageo Pension Scheme Review.

Firstly, I would like to apologies for the late issue of the 2022 Scheme Review.

Whilst the economic outlook remains unsettled, I am pleased to report an improvement in the funding level of the Scheme over the course of the year to 109% funded as at 1 April 2022. The funding surplus has increased to £563 million, primarily due to a decrease in the value of the Scheme's liabilities over the year. This improvement in the funding level was driven by the rise in UK gilt yields which is in turn driven by increasing interest rates which reflect the current UK economic environment of rising inflation.

In the Autumn of 2022, the investment strategy of pension funds was very much in the news following the Government's 'mini budget' in September 2022 which created significant market volatility and impacted liability driven investment (LDI) portfolios. A LDI mandate is an investment in assets that seeks to match the movement in the value of a defined benefit pension scheme's liabilities, such as the Diageo Pension Scheme (DPS), i.e. the pension benefits that the Scheme has an obligation to pay.

The DPS has had in place a LDI portfolio for many years and continues to do so. This helps ensure that the Scheme's funding level is almost entirely 'hedged' against movements in interest rates and inflation. I am therefore pleased to report that the extreme movements in interest rates and inflation observed in September 2022 have had no material impact on the Scheme's funding position. The DPS therefore remains fully funded and able to meet all pension obligations as they fall due. In response to the September 2022 market volatility, Diageo provided invaluable support by entering into an interim facility agreement with the Trustee of the DPS. This assisted the Scheme by supporting the temporary liquidity requirements needed in order to maintain the hedging levels and therefore protected the funding level. The interim facility agreement will allow the Trustee to take any further action in the future, in conjunction with their advisers, to address liquidity levels in a controlled manner and provide additional headroom in the event of any future unforeseen market volatility.

Further details on LDI is provided on page 7.

Further details on all of the above can be found in this report as well as the usual updates on the Scheme's accounts and investments which we hope you will find interesting.

Turning now to our regular updates in respect of the year ended 31 March 2022, the key points are summarised below, with further detail and explanation in the subsequent pages.

Summary of the Scheme's accounts

As you will see on page 5, the value of the Scheme's net assets remained largely unchanged over the year at £6.8 billion. The Scheme paid benefits to members and expenses totalling £318 million and received cash contributions from the Company of £13 million (including contributions made on behalf of members under the salary sacrifice arrangement). The Scheme's investments delivered income of £165 million, and their market value increased by £103 million.

Funding update

The funding level of the Scheme as at 1 April 2022 was 109%, with a surplus of £563 million. The improvement in the funding level from 105%, with a surplus of £318 million reflects a reduction in the value of the Scheme's liabilities due to gilt yields increasing over the period versus a smaller reduction in the value of assets. The overall funding position of the Scheme is considered satisfactory. Further details are provided in the annual Summary Funding Statement set out on pages 11 and 12.

CHAIRMAN'S REPORT

Investment update

The total net investments of the Scheme at 31 March 2022 were £6,840 million (2021: £6,880 million). The strategic benchmark asset allocation for the Scheme for the year ending 31 March 2022 reflects further de-risking of the investment strategy since the year ending 31 March 2021 and the table on page 6 shows the reduction in the growth assets, including the reduction in the total target allocation to property from 8% to 5%. The Trustee continues to de-risk further from growth assets following the Scheme's year end.

I provide an update on the important topic of "Responsible Investment", including the stance of the Trustee on what are commonly called Environmental, Social and Governance (or "ESG" for short) risks, including the risk of climate change on page 9.

Scheme and other news

You can find some Scheme news and information on other matters which affect members on pages 14 to 15.

In 2022 we said farewell to Caroline Wehrle and Jim Donaldson. I would like to thank them both for their years of dedicated service to the Trustee Board.

With best regards

Peter Goshawk

Chairman

SUMMARY OF THE SCHEME'S ANNUAL ACCOUNTS TO 31 MARCH 2022

Scheme Membership

Membership at 31 March 2022

675 Actives
9,500 Deferreds
22,483 Pensioners

Membership at 31 March 2021

798 Actives
10,023 Deferreds
22,862 Pensioners

Membership analysis at 31 March 2022

2% Actives
29% Deferreds
69% Pensioners

Active members – current employees who participate in the Scheme.

Deferred members – those members who have either opted out of the Scheme or left the Company and still retain a benefit which will be payable in the future.

Pensioners – those members who are currently in receipt of a pension, including spouses and dependants.

Overall membership of the Scheme has reduced from 33,683 to 32,658 during the year. This trend will continue over the years as no new members can join the Scheme.

Financial summary
For the year ended 31 March 2022

The summary of the accounts shown has been extracted from the Trustee's Annual Report and Scheme Financial Statements, which have been given a clean audit report by KPMG LLP.

	£m	£m
Value of the Scheme's Net Assets at 31 March 2021		**6,865**
Received by the Scheme		
Company and member normal contributions	13	
Investment income	165	
Income	+	**178**
Paid from the Scheme		
Benefits	214	
Payments in respect of leavers	66	
Administration costs and investment expenses	38	
Expenditure	-	**(318)**
Increase in value of investments	+	**103**
Value of Scheme's Net Assets at 31 March 2022	=	**6,828**

INVESTMENT UPDATE

Investment Committee

The Investment Committee is appointed by the Trustee and operates under its own terms of reference. Assisted by the Scheme's professional investment adviser, Hymans Robertson LLP, the Investment Committee is responsible for advising the Trustee on investment strategy and for appointing and supervising the external investment managers, who are independent of the Trustee and Diageo plc. It reports to the main Trustee Board, making recommendations as appropriate.

The Investment Committee meets on a regular basis throughout the year. It reviews the performance of the Scheme overall, as well as the investment returns of the individual managers, and deals with all other investment related issues. Manager monitoring meetings are held with each of the investment managers at least once a year and the outcomes are reported back to the Trustee Board.

Investment strategy and recent developments

The investment strategy of the Scheme aims for long-term performance without taking unnecessary risks. The Trustee categorises the Scheme's assets into three key groupings of "Growth", "Income" and "Protection" as the basis for the investment strategy. The Growth assets (such as property) seek to generate higher returns in excess of the Scheme's liabilities. The Income assets (such as loans) also seek to outperform liabilities or cash but by a smaller margin with returns more focussed on income generation to help provide greater stability to returns and meet ongoing net cash requirements. The Protection assets (such as Government bonds or Gilts) seek to reduce the volatility of the funding position by more closely matching the Scheme's liabilities. The Trustee has continued to review the required balance of assets across these three groupings in order to move the Scheme towards its long term target position, reduce risk and help meet net cash outflows as it becomes more mature over time.

The strategic benchmark asset allocation for the Scheme for the year ending 31 March 2022 reflects further de-risking of the investment strategy since the year ending 31 March 2021 and is set out in the following table.

Asset Class	Benchmark Allocation % – March 2021	Benchmark Allocation % – March 2022
Private equity	6	7
Property	8	5
Growth assets	**14**	**12**
Income assets (such as bonds and loans)	**38**	**35**
Protection assets (such as gilts, swaps and cash)	**48**	**53**
Total	**100**	**100**

The benchmark asset allocation excludes the Pension Funding Partnership and AVC investments.

The Trustee has set ranges around the benchmark asset allocation representing minimum and maximum levels for each asset class. The Trustee monitors the asset allocation on a regular basis and will consider whether to rebalance by moving assets between the relevant asset classes when allocations have moved away from this benchmark.

INVESTMENT UPDATE

Managing risks

The value of the Scheme's actuarial liabilities, being benefits payable to members in future years, is significantly influenced by interest rates and inflation. Accordingly, as part of the investment strategy, the Trustee has had in place for some years a liability hedging programme (also known as LDI), designed to mitigate the impacts on the Scheme of changes in the interest rates and inflation. The programme is implemented by using interest and inflation swaps, gilt repurchase agreements and other suitable financial instruments. As is common in the market, the LDI mandate uses leverage to achieve higher interest rate and inflation hedge levels than would be achieved by physical assets alone, and this is supported by collateral. This allows the Trustee to invest the remaining assets elsewhere to generate higher returns for the Scheme.

The Trustee reviewed the liability hedging programme in early 2022 (as part of the wider strategy review) and the decision was made to set new target hedging levels to interest rates and inflation at 100% of liabilities on gilts+0.5% p.a. basis (the Scheme's economic basis). The aim of this change from previous targets of 86% to interest rate and 90% to inflation on a gilts flat basis (in force as at 31 March 2021) was to simplify the hedging solution and increase alignment with the Scheme's long-term objective.

As noted in the Chairman's report, the market volatility in September 2022 impacted the available collateral to support the LDI mandate.

As at 31 December 2021, the scheme had sufficient collateral to withstand a rise in interest rates of c.4%. As rates and bond yields rose sharply in September, the collateral pool the Scheme held was significantly depleted which combined with a relatively illiquid portfolio of assets outside of the LDI portfolio, resulted in the Scheme suffering a short to medium term liquidity issue. Many other schemes in the UK with leveraged LDI mandates experienced a similar situation. In light of this, Diageo plc entered into an interim facility agreement of £850million with the Trustee of the Scheme until 29 December 2022 for the purpose of supporting the temporary liquidity requirements. This allowed the Trustee to keep the required interest rate and inflation hedging positions in place in order to protect the funding level of the Scheme which has remained resilient throughout this period of volatility.

Following a review late last year and in line with general market consensus, the Trustee and Company have concluded that levered LDI mandates continue to be an appropriate investment for the Scheme, given the protection they provide the Scheme against volatility in funding levels from movements in interest rates and inflation. However, having regard to the UK Pension Regulator's statement ("Maintaining liability-driven investment resilience") published on 30 November 2022 and guidelines issued by the Scheme's LDI manager, Insight, the Trustee is keen to ensure that it builds sufficient collateral with the LDI manager to withstand a further 4% increase in yields plus an additional buffer either in the LDI mandate or readily available elsewhere in the portfolio to withstand a further 2% increase. In turn, this increased collateral level will automatically reduce the leverage in the funds to more acceptable levels. The Trustee and Company has been working closely with the Trustee's investment consultant and investment managers to determine how to rebuild available collateral and revisit the de-risking plans for the Scheme.

While financial markets have since stabilised and the credit facility is currently not in use, in December, the Company agreed with the Trustee that the interim facility of £850m will remain in place until 29 June 2023 while the Trustee continues to work to rebuild the collateral level in an orderly manner.

GMP Equalisation

In October 2018, the High Court ruled that pension schemes are required to equalise benefits between men and women for the effect of Guaranteed Minimum Pensions (GMP) which were accrued on or after 17 May 1990. The High Court has since determined that trustees owed a duty to a transferring member to make a transfer payment which reflected the member's right to equalised benefits. Where the initial transfer payment was inadequate on this basis the Trustee is under an obligation to make a top-up payment to the receiving scheme on behalf of the transferred member. The Trustee are reviewing, with their advisers, the implication of these rulings in the context of the scheme rules and the value of any liability. On completion of the review the Trustee will put together a plan for correcting past benefits as well as inequalities in benefits coming into payment.

INVESTMENT UPDATE

Russia-Ukraine Conflict

Although it appears that conditions in financial markets largely stabilised as the world started emerging from the COVID-19 pandemic, the Russian invasion of Ukraine in February 2022 brought new uncertainty and weighed on market sentiment. As such, the Trustee and its advisors continue to closely monitor developments in financial markets and their impact on the Scheme. It is important to take a long-term view on pension fund investments and the Trustee is confident that the Scheme is well placed to weather periods of economic uncertainty.

Investment structure

The table below shows the analysis of the Scheme's net assets at 31 March 2022 and the principal investment managers appointed to manage these assets.

Asset class	Principal investment managers	As at 31 March 2022	
		£m	%
Private equity	Pantheon	670	10
Property	Savills CBRE	501	7
Growth-asset allocation		**1,171**	**17**
Income-asset allocation	Savills HPS Investment Partners Insight Investment Management Global M&G Investment Management Western Asset Management	**2,742**	**41**
Protection-asset allocation	Insight Investment Management Global	**2,820**	**42**
Assets subject to benchmark		**6,733**	**100**
Pension Funding Partnership		**101**	
AVCs	Prudential Assurance	**6**	
Total net investments		**6,840**	

Investment performance

The investment return achieved by the Scheme, and its constituent portfolios, is measured by the custodian, Northern Trust Global Services. The return for the year ended 31 March 2022, including the liability hedging programme, was 5% and the annualised return for the last three years was 4.8%. The table below shows the investment performance of the Scheme, by category of investment.

Investment category	Year to 31 March 2022 (%)	Three years to 31 March 2022 (%)
Growth assets	31.1	17.1
Income assets	3.1	3.1
Protection assets	-1.9	1.4
Scheme return	**5.0**	**4.8**

INVESTMENT UPDATE

Self-investment

The investment managers are permitted to invest in securities issued by the Company, Diageo plc, to the extent that the security falls within their investment mandate, up to a maximum of 5% of their portfolio. At 31 March 2022 no manager held shares in Diageo plc.

Environmental, Social and Governance Policy

As reported here previously, the Trustee has continued to work actively on incorporating the principles of Responsible Investment (RI) into the Scheme's investment strategy and the ongoing management of the assets. The Trustee continues to pay particular attention to Environmental, Social and Governance (ESG) factors and is working towards being more active across various areas of RI, to the extent that this is in the best interests of the Scheme and its members.

The Trustee has established its RI beliefs and developed a policy to guide the Trustee's decisions when considering ESG factors within the Scheme's investments, recognising that these factors could have a potentially material financial impact.

Included in our RI beliefs is the Trustee's aim to achieve net zero greenhouse gas emissions for all Scheme assets by 2050. This commitment is based on the expectation that governments and policy makers will deliver on their commitments to achieve the 1.5°C temperature goal of the Paris Agreement. The Trustee is comfortable that this is in line with its fiduciary responsibility to the Scheme and its members. Our net zero ambition statement can be found in our Taskforce on Climate Related financial Disclosures (TCFD) Statement on the website at **www.hartlinkonline.co.uk/diageo**.

The Scheme is now in a relatively mature investment phase, seeking to reduce investment risk where possible and appropriate, and therefore does not hold any listed equities. As such we are unable to directly vote or buy/sell equity positions to demonstrate our RI beliefs. However, there are RI considerations to be taken in all our investments and we are working closely with our investment managers to understand their monitoring and decision-making processes for considering ESG factors to ensure they align with our policy and beliefs.

The Trustee continues to believe that our investment managers are best placed to engage with investee companies on ESG related matters on behalf of the Trustee and we review and discuss their engagement activities as a key element of our regular review meetings with managers.

Over the last 12 months, the Trustee has met with the majority of the investment managers twice. In addition, the RI working group (sub-group of the Trustee) met with each of the managers to discuss the managers' integration of RI factors into the investment process, climate data availability and options for setting climate targets for the mandates. Throughout the year the managers also maintain regular dialogue with Hymans Robertson, the Scheme's Investment Adviser.

At each meeting with its managers, the Trustee sets a comprehensive agenda to assist the Trustee in holding each manager to account. Managers are asked to provide details of any updates in relation to their RI and stewardship policies and to confirm whether any investments breach or contradict the Trustee's RI Policy. The Trustee also asks the managers to illustrate by means of examples where ESG issues have been taken into account in decision making for the portfolio.

INVESTMENT UPDATE

The key areas of discussion are set out below:

- Understanding managers' abilities to assist the Trustee in reporting and making disclosures in line with the recommendations of the Taskforce for Climate-Related Financial Disclosures (TCFD). Disclosures in line with the TCFD recommendations became a regulatory requirement for the Scheme on 1 October 2021 (with the deadline for the first TCFD reports falling due by 31 October 2022 (7 months after the end of the Scheme year). The Scheme's managers provided updates on their current capabilities and shared climate data available for the Scheme's mandates. The Trustee used the data to establish the current baseline and worked on developing climate targets for certain mandates where appropriate. Details of work carried out so far (including the agreed climate targets) is covered in the Scheme's first TCFD report.

- Managers' assessment of climate risks and opportunities for the individual portfolios. The Trustee used the information provided to create a climate risk dashboard, which will be reviewed periodically and updated as required.

- The level of engagement managers have had during the year with the underlying investee companies. Although the Scheme's assets do not hold voting rights, the majority of the Scheme's managers are active in engaging with underlying companies to understand and manage ESG risks engaging on key issues such as cyber security and supply chain management.

- The RI related collaborations and initiatives each manager has contributed to and any targets the Scheme's managers have put in place for the assets they manage. The majority of the Scheme's managers are actively participating in a number of collaborations to improve data, processes and engagement and to encourage reductions in a wide range of ESG risks. The Trustee also started exploring various investor groups and initiatives suitable for the Scheme.

The Trustee will continue to report further to members on this important topic in next year's Review.

FUNDING UPDATE

Annual Summary Funding Statement

The Trustee Directors are pleased to present their annual Summary Funding Statement as at 1 April 2022.

What is the purpose of this statement?

Its purpose is to explain the latest funding position of the Scheme and how this has changed since the last actuarial valuation as at 1 April 2021.

How is the Scheme funded?

Both the Company and members who are still working for the Company contribute to the Scheme. The level of members' contributions is set out in the Scheme Rules. The Company's contributions are variable and are intended to meet the balance of the amount of money required to pay the benefits. The Scheme is set up as one fund, which the Trustee uses to provide all members' benefits. This fund is held separately from, and is independent of, the assets of the Company.

How much does the Company currently pay into the Scheme?

The Company pays regular monthly contributions to meet the cost of benefits building up in the future (for members still working for the Company). From 1 January 2019 until 31 March 2022 the Company paid contributions of 38.25% of pensionable pay (inclusive of member contributions) to provide future benefits under the Scheme. The rate of company contributions has been reviewed in light of the results of the actuarial valuation as at 1 April 2021. Given the surplus funding position from 1 April 2022 the Company will pay 8% of pensionable pay including members' contributions. In addition, a reserve has been built in to cover the expenses of running the Scheme and so the Company will no longer have to make contributions to the Scheme in relation to expenses.

The Scheme continues to hold its interest in the Pension Funding Partnership (PFP), which holds maturing whisky spirit as assets. This interest was valued at £101 million at 31 March 2022.

Under the current terms of the PFP, the annual coupon payments (interest) are contingent on there being a deficit (excluding the value of the PFP) in the funding position of the Scheme as at the start of the Scheme year. No payments have been received by the Scheme during the year ended 31 March 2022.

FUNDING UPDATE

What was the Scheme's funding position at the most recent interim actuarial review?

The results of the interim actuarial review at 1 April 2022 are shown below. This review is based on funding assumptions derived from the same methodology as used for the full 2021 valuation but updated to reflect market conditions at 1 April 2022.

The value of the Technical Provisions (liabilities)	**€ 6,259 m**
The value of the Scheme's net assets (excluding AVCs)	**€6,822 m***
Surplus	**€563m**
Funding Level	**109%**

*Comprises the Scheme's total net assets of £6,828 million less AVC investments of £6 million.

How has the funding position changed since the full actuarial valuation at 1 April 2021?

The actuarial valuation carried out at 1 April 2021 showed that the funding position of the Scheme was 105%. The funding position at 1 April 2022 has increased to 109% and is attributable to:

- A reduction in the value of the Scheme's liabilities due to gilt yields increasing over the period;
- Updated membership data at 1 April 2022 which reflected actual movements since the 2021 valuation.

What is the funding level on the full solvency position?

Even though the funding level is currently more than 100%, the Trustee is required to advise members of the financial position of the Scheme in the unlikely event that the Scheme discontinued. If the Scheme had been wound up on 1 April 2022, the Actuary estimated that the shortfall on the full solvency basis would have been some £240 million, equal to a funding level of 97%. The full solvency position assumes that benefits would be secured by buying insurance policies; the cost of securing pensions in this way is significantly more expensive than funding them in the Scheme and this is the principal reason for the lower funding level. The solvency position does not take into account the value of the PFP.

It is important to understand that the Pensions Regulator requires us to report the full solvency position but this does not mean that the Company intends to wind up the Scheme. Furthermore, the law now stipulates that the sponsoring employer (in this case Diageo plc) cannot wind up a pension scheme unless it is funded on a full solvency basis. The only circumstances under which a scheme might be wound up without members receiving their full accrued benefits is if the sponsoring employer becomes insolvent and is unable to give the scheme any further support. In such a circumstance, the Pension Protection Fund (PPF) might step in and administer the scheme, but with some curtailment of benefits.

The Pensions Regulator also requires that we tell you if there have been any payments from the Scheme to the Company in the last twelve months. We can confirm that there have been no such payments.

The Pensions Regulator's powers also allow it to intervene in the running of pension schemes if it believes this is in the members' best interests. For example, it can change the rate at which benefits build up in the future, give directions about working out funding targets or impose contribution rates on pension schemes. It has not needed to use its powers in this way for the Diageo Pension Scheme.

FUNDING UPDATE

Where can I get further information

Further details of the Scheme, including copies of the following documents, can be found on the pensions website at **www.hartlinkonline.co.uk/diageo**, or by requesting copies from the Scheme Administrator.

- Annual Report and Accounts for the year ended 31 March 2022, which includes the full accounts and membership figures, statements from the Actuary and Auditors, an update on the Scheme's investment performance and details of the Trustee and advisers. Much of this information is summarised in this Scheme Review;
- Annual Actuarial Report - shows the funding position of the Scheme as at 1 April 2022;
- Statement of Funding Principles - explains the approach adopted for funding the Scheme;
- Schedule of Contributions - shows how much money is being paid into the Scheme;
- Statement of Investment Principles - explains how the Trustee invests the Scheme's assets; and
- Taskforce for Climate-Related Financial Disclosures (TCFD) – details work carried out on ESG matters and manager engagement.

SCHEME AND OTHER NEWS

Ensure your dependants are looked after when you die

As part of your Scheme membership, a lump sum benefit may become payable if you die. Further details are provided in the Employee Guides available on the Scheme website at **www.hartlinkonline.co.uk/diageo** under Scheme Information.

In such cases, the Trustee needs to consider all potential beneficiaries and make a decision on who should receive the death benefit. To ensure the Trustee considers your wishes, you should update the Expression of Wish section on Hartlink Online. If you are not yet registered for Hartlink Online, a PDF copy of the form can be downloaded from the Scheme website at **www.hartlinkonline.co.uk/diageo** and selecting Scheme Information and then the Diageo Pension Scheme. You may update your wishes at any time and should review it when there has been a change in your circumstances.

The form is not legally binding (if it were, then any lump sum benefits would be included in your estate and would be taxable) but the Trustee will consider your wishes when it decides who should get the money.

Finally, make sure that your family knows where to find your pension paperwork as they will need it in the event that you are no longer around.

Additional Voluntary Contributions (applicable to active members)

Additional Voluntary Contributions (AVCs) are a simple and effective way to provide benefits in addition to your benefit from the Scheme. As the name suggests, AVCs are contributions that you choose to pay voluntarily on top of any contributions you are required to pay to the Scheme. Your AVC fund is used to provide additional benefits when you retire.

AVCs can only be paid into the Scheme by members who have existing AVC accounts, for which the principal provider is Prudential. Members who have not paid AVCs before have the option to pay AVCs to the Diageo Pension Plan (DPP) administered by Scottish Widows. A range of investment options is available for your AVC fund. You can elect to start paying AVCs via the My Diageo Benefits Hub. Information about the DPP can be found under 'Your key documents library' on the following website **www.scottishwidows.co.uk/save/dpp/.**

SCHEME AND OTHER NEWS

Don't let a scammer enjoy your retirement

Scammers are targeting pension pots of all sizes – make sure you know how to spot the signs.

Pension scammers are targeting people like you - you could lose all your retirement benefits!

Scams are hard to spot and are often disguised with credible websites, testimonials and materials which make them look like the real thing. To help you spot the signs and protect yourself from a scam, the Financial Conduct Authority (FCA) and The Pensions Regulator suggest following four simple steps.

Step 1 – Reject unexpected offers

If you're contacted out of the blue about pension a opportunity, chances are it's a scam. Pension cold calling is illegal and you should be very wary. An offer of a free pension review from a firm you've not dealt with before could well be a scam.

Step 2 – Check who you are dealing with

Search ScamSmart (**www.fca.org.uk/scamsmart**) and check the FCA's register to make sure anyone offering you advice is authorised. If they are, check they're permitted to give pension advice by calling the FCA Consumer Helpline on 0800 111 6768. If you don't use an FCA-authorised firm, you risk not having access to compensation schemes.

Step 3 – Do not be rushed or pressured

Take your time to make all the checks you need – even if this means turning down what seems to be an 'amazing deal'.

Step 4 – Get impartial information or advice

You should seriously consider seeking financial advice before changing your pension arrangements. In some cases, for example where you are wanting to transfer more than £30,000 from a defined benefit scheme, you must obtain this advice.

Consider using **MoneyHelper** (**www.moneyhelper.org.uk**) which provides free independent and impartial information and guidance.

If you suspect a scam, report it.

You can report an unauthorised firm or scam to the FCA using the online reporting form (**www.fca.org.uk/consumers/report-scam-unauthorised-firm**) or on 0800 111 6768.

If you suspect a scam, report it to Action Fraud on 0300 123 2040 or at **www.actionfraud.police.uk**.

Be ScamSmart with your pension. To find out more, visit www.fca.org.uk/scamsmart.

THE TRUSTEE

The Trustee of the Scheme is Diageo Pension Trust Limited. There are currently 8 Trustee Directors of the Trustee Company who have the responsibility for ensuring that the Scheme is run in accordance with its Trust Deed and Rules.

At present, half of the Directors have been nominated by employee or pensioner members. The Chairman is a professional trustee, as defined by the Pensions Regulator. All Directors have regular training in connection with their role and are supported by professional advisers who are independent of the Company.

Employer nominated

Peter Goshawk[2,3], Chairman

Trustee nominated

Tegs Harding[2]

Claire Jordan[2]

Caroline Wehrle[1,2]
Retired as a Trustee on 30 November 2022

Eddie McShane[1,2]

Member nominated

John Cant [2]

Jim Donaldson
Retired as a Trustee on 27 September 2022

Andrew Lynn[1,3]

Chris Lewin[1,2]

Clare Reilly[3]

1 Audit Committee member   2 Investment Committee member   3 Member Services Committee member

The main committees of the Trustee Board are the Audit, Investment and Members Services Committees, the members of which are identified above. The roles of the Audit and Member Services Committees are summarised below. Further information on the work of the Investment Committee is provided on page 6.

THE TRUSTEE

Audit Committee

The Audit Committee oversees the Scheme's governance, the services and internal controls of the Scheme's Administrator and other advisors, and the integrity of the financial statements, including specific areas of judgement and risk. The Audit Committee makes recommendations to the Trustee as appropriate.

Member Services Committee

The Member Services Committee is responsible for supervising the work of the Administrator and exercising on behalf of the Trustee certain discretions under the Rules of the Scheme.

Secretary	
Aedin Kenealy	
Advisers to the Trustee	
Actuary	James Miller – Aon
Administrator	Capita Pension Solutions Limited
Auditor	KPMG LLP
Bank	Lloyds Bank plc
Custodian	Northern Trust Global Services Limited
Investment Adviser	Hymans Robertson LLP
Solicitor	Linklaters LLP
Life Insurance	Canada Life Group Insurance

WHO TO CONTACT

If you would like further information about your benefits in the Scheme, you can contact the Administrator in the following ways:

Email: diageopensions@capita.co.uk

Telephone: Administration queries: 0333 222 0086

Pensioner payroll queries: 0333 220 0259

Website: **www.hartlinkonline.co.uk/diageo**

Writing: Diageo Pension Scheme
Capita
PO Box 555
Stead House
Darlington
DL1 9YT

Please note that whilst the Diageo Pension Scheme is administered from Capita's office in Edinburgh, all post is directed via Capita's office in Darlington.

When contacting the Administrator, it is helpful if you provide your full name, address and telephone number, date of birth and your National Insurance number.

If you have a complaint, please raise it with the Diageo Pension Team Manager, at the above address. If you are dissatisfied with the decision of the Diageo Pension Team Manager, please ask for details of the Trustee's Internal Disputes Resolution Procedure.

Please note that any queries related to your employment with Diageo should be referred to your line manager or local Human Resources Manager.

In the current "working from home" environment, the preferred method of contact with the Administrator is by email to: diageopensions@capita.co.uk

Keep in touch

It is important that you notify the Scheme Administrator of any change of address, even after you leave Diageo, so that we can ensure that you receive your benefits when they become due. You can do this via the Scheme website or by writing to the Administrator (as above). If you are still employed by Diageo, you need to update your address in Workday.

It is also helpful if you are able to provide a personal email address – you can provide this via the Hartlink online portal.

Holding personal information

In providing services to members, the Trustee, the Company and the Scheme's professional advisers and administrators require access to personal data about members and their dependants. Any information you give us is handled in accordance with the Scheme's Privacy Notice and in accordance with Data Protection Legislation (meaning, as applicable, the General Data Protection Regulation 2016/679, all applicable regulations, domestic legislation and any successor legislation relating to the protection of individuals with regards to the processing of personal data to which the Trustee is subject).

The Privacy Notice has recently been reviewed to ensure it is up to date and is available on the Scheme website at **www.hartlinkonline.co.uk/diageo**. If you have further questions regarding the processing of your personal information, please contact the Scheme Administrator.