



DIAGEO PENSION SCHEME SCHEME REVIEW 2020

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

DIAGEO

CHAIRMAN'S REPORT



Welcome to the 2020 Diageo Pension Scheme Review. We are in extraordinary times, for the world at large and for financial markets. Whilst there has been some more positive news of late, the outlook as regards to the Covid-19 pandemic remains uncertain. However, I am able to provide you with reassurance that we will continue to pay all pensions as they fall due. Our Administrator, Capita, is continuing to provide a full service to members albeit their staff are working from home. The Trustee has received an update on Capita's business continuity and IT security/data protections and everything is in good order.

There may be slower response times and members can help by reducing ad hoc requests. It is also helpful if members can make full use of the extensive functionality available on the members' online portal, including real-time access to information on your pension benefits (see page 10 for more information on this) and if any contact with the Administrator can be made initially by email, to diageopensions@capita.co.uk.

I would also add that there has been an increase in activity by fraudsters, engaging in scams designed to trick pension scheme members. Be very cautious if you are approached by someone you don't know in relation to your pension benefits. Please read our further comments on this topic on page 12.

Turning now to our regular updates in respect of the year ended 31 March 2020, 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 4, the value of the Scheme's net assets increased slightly over the year from £6.9 billion to £7.0 billion. The Scheme paid benefits to members and expenses totalling £360 million and received cash contributions from the Company of £16 million (including contributions made on behalf of members under the salary sacrifice arrangement). The Scheme's investments delivered income of £163 million and their market value increased by £260 million.

Funding update

The funding level of the Scheme as at 1 April 2020 was 103%, with a surplus of £193 million. Whilst the funding level in percentage terms is broadly similar to the position a year ago, the absolute amount of the surplus has declined from £254 million at 1 April 2019. The overall funding position of the Scheme is considered satisfactory. Further details are provided in the annual Summary Funding Statement set out on pages 5 and 6.

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CHAIRMAN'S REPORT

Investment update

I reported last year that, following the triennial valuation in 2018, the Trustee had carried out a review of the investment strategy and taken the opportunity to reduce risk as a result of improvements in the Scheme's funding level. We have continued to do so and no longer have any allocation to equities. In parallel, the level of hedging against interest rate and inflation risks has been increased.

During the year under review, we have also amended the terms of the Pension Funding Partnership (PFP) with the Company and, in particular, extended the term of the PFP from 2024 to 2030. The terms of the PFP now allow for annual payments to be made to the Scheme, contingent on the level of funding of the Scheme, and continue to provide additional backstop security in the event of a deficit in the Scheme in 2030.

The combination of significant reduction in asset risk, significant increase in the hedging of interest rate and inflation liability risks and the changes in the PFP represents a very substantial strengthening in the financial position of the Scheme, intended to protect the overall funding level and, accordingly, the security of members' benefits. As measure of the benefit of these changes, I can report that there has been no material adverse change in the funding position of the Scheme as a result of the increased volatility in financial markets during 2020 caused by the Covid-19 pandemic.

Scheme and other matters

You can find some Scheme news and information on other matters which affect members on pages 10 to 12.

Trustee Board

I am pleased to announce the results of the recent nomination and selection process to fill the vacancy for a Member-nominated Trustee Director (MND) on the Trustee Board from the pensioner membership of the Diageo Pension Scheme. We received 25 applications and interviewed ten very strong candidates. As a result of the high calibre of candidates, the Trustee has agreed with the Company to appoint two MNDs and, for the time being, to retain the position of half of the Trustee Board being member-nominated. In December 2020, Chris Lewin and Clare Reilly will be formally appointed as MNDs and I would like to welcome them to the Board.

Mena Hatchman retired from the Trustee Board in November 2019 and we were delighted to welcome Eddie McShane as a company-nominated Trustee Director from that date. We also said farewell at the end of September 2020 to David Heginbottom who resigned from the Trustee Board on his departure from Diageo. David has been an influential member of the Trustee Board since he joined us in 2010, serving as Chair of the Investment Committee since 2014. I would like to thank both Mena and David for their service on the Trustee Board.

I hope that you find this report interesting and easy to understand. The Trustee welcomes any feedback you may have; please address any comments or questions to the Scheme Administrator.

As always, I would like to thank my fellow Trustee Directors, the administration team and all our advisers for their dedication and work for the Scheme and you, its members, throughout the year.

Charles Coase, **Chairman**

SUMMARY OF THE SCHEME'S ANNUAL ACCOUNTS TO 31 MARCH 2020

Scheme Membership

Membership at 31 March 2020

874 Actives
10,602 Deferreds
23,416 Pensioners

Membership at 31 March 2019

994 Actives
11,568 Deferreds
23,659 Pensioners



Membership analysis at 31 March 2020

3% Actives
30% Deferreds
67% 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 36,221 to 34,892 during the year.

Financial summary For the year ended 31 March 2020

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 2019		6,863
Received by the Scheme		
Company and member normal contributions	16	
Investment income	163	
Income	+	179
Paid from the Scheme		
Benefits	214	
Payments in respect of leavers	115	
Administration costs and investment expenses	31	
Expenditure	-	(360)
Increase in value of investments	+	260
Value of Scheme's Net Assets at 31 March 2020	=	6,942

FUNDING UPDATE

Annual Summary Funding Statement

The Trustee Directors are pleased to present their annual Summary Funding Statement as at 1 April 2020.

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 2018.

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). The Company paid contributions of 57% of pensionable pay to 31 December 2018 and pays 38.25% of pensionable pay thereafter (inclusive of members' contributions) to provide future benefits under the Scheme. This reduction reflects that future service benefits are now provided on a Career Average Revalued Earnings ("CARE") basis rather than final salary basis. From 1 January 2019 until 31 December 2021, the cost of administering the Scheme will be met from the Scheme's assets following which the Company will revert to paying monthly contributions in line with the budgeted 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 £188 million at 31 March 2020.

With effect from 28 February 2020, the Trustee and the Company amended the terms of the PFP. Under the revised arrangements:

- (i) the PFP is scheduled to be in place until 2030 (previously 2024) at which time the Trustee will be able to sell its interest in the PFP to the Company for an amount no greater than the deficit at that time, up to a maximum of £430 million. However, should the Scheme show a surplus at a future triennial actuarial valuation, based on a set of agreed prudent assumptions and excluding any value for the PFP, then the Company may request that the PFP is terminated early, which will require the agreement of the Trustee;
- (ii) the amount of the annual coupon payments has been adjusted to take account of the expected longer duration of the PFP, giving rise to a reduction from circa £25 million a year to £11.4 million a year (with no change to the total potential coupons of £125 million between 2020 and 2030); and
- (iii) the annual coupon payments have become 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 (rather than being payable regardless of the funding position).

The total payment received by the Scheme during the year ended 31 March 2020 was £11.4 million.

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

The results of the interim actuarial review at 1 April 2020 are shown below. This review is based on funding assumptions derived from the same methodology as used for the full 2018 valuation but updated to reflect market conditions at 1 April 2020.

The value of the Technical Provisions (liabilities)	£6,741m
The value of the Scheme's net assets (excluding AVCs)	£6,934m*
Surplus	£193m
Funding level	103%

*Comprises the Scheme's total net assets of £6,942 million less AVC investments of £8 million.

FUNDING UPDATE

How has the funding position changed since the full actuarial valuation at 1 April 2018?

The actuarial valuation carried out at 1 April 2018 showed that the funding position of the Scheme was 104%, which fell slightly to 103% as at 1 April 2019. The position at 1 April 2020 is broadly similar and is attributable to:

- › An increase in the value of the Scheme's assets as a result of positive investment returns;
- › An increase in the value of the Scheme's liabilities due to gilt yields falling over the period;
- › Updated membership data at 1 April 2020 which reflected actual movements since the 2018 valuation including the impact of the Pensions Increase Exchange and Bulk Transfer exercises (details of these exercises were provided in the 2019 Scheme Review); and
- › The changes in the PFP structure, extending the terminal payment date to 2030 (from 2024) and reducing the annual coupon payments and making them conditional on the funding position each year.

What is the funding level on the full solvency position?

Even though the ongoing 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 2020, the Actuary estimated that the shortfall on the full solvency basis would have been some £1.1 billion, equal to a funding level of 86%. 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. However, the solvency position has improved since the last valuation as the buyout terms available in the market have improved. 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.

Where can I get further information?

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

- › Annual Report and Accounts for the year ended 31 March 2020, 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 2020;
- › 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; and
- › Statement of Investment Principles - explains how the Trustee invests the Scheme's assets.

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 regularly 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 the investment managers on a regular basis and the outcomes are reported back to the Committee.

Investment strategy and recent developments

The investment strategy of the Scheme aims for long-term performance without taking unnecessary risks and the Trustee seeks to reduce the level of investment risk as the funding level of the Scheme improves. This is achieved by switching out of Growth assets into lower risk Income and Protection assets as the Scheme's funding level improves.

The benchmark asset allocation for the Scheme for the year under review is set out in the following table.

Asset Class	Benchmark Allocation %
Equities (including synthetic equity)	–
Private equity	6
Property	8
Growth assets	14
Income assets (such as bonds and loans)	38
Protection assets (such as gilts, swaps and cash)	48
Total	100

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

INVESTMENT UPDATE

Managing risks

Following the triennial actuarial valuation in 2018, the Trustee carried out a review of the investment strategy and this highlighted the opportunity to reduce risk as a result of improvements in the Scheme's funding level. During the year under review, the Trustee has been able to make a further significant reduction in investment risk within the Scheme's assets, by reducing the allocation to growth assets from 30% to 14% (with no allocation to equities) and increasing the allocations to lower risk income and protection assets to 38% and 48%, respectively.

The value of the Scheme's actuarial liabilities, being benefits payable to members in future years, is significantly influenced by the rates of interest and inflation. Accordingly, as part of the investment strategy, the Trustee has had in place for some years a liability hedging programme designed to mitigate the impacts on the Scheme of changes in the rates of interest and inflation. In line with our strategy, the Trustee has been taking steps to increase the level of hedging in place to protect the Scheme against interest rate and inflation risk which now stand at approximately 80% of interest rate risk and 90% of inflation risk. The hedge against interest rate risk is being progressively increased toward the 90% target.

The combination of significant reduction in asset risk and significant increase in the hedging of interest rate and inflation liability risks over recent years represents a very substantial strengthening in the financial position of the Scheme, intended to protect the overall funding level and, accordingly, the security of members' benefits.

Following the outbreak of Covid-19, there has been a significant increase in volatility in global financial markets in the first half of 2020. The actions taken by the Trustee during 2019 to reduce the level of risk in the investment strategy, including in particular the elimination of equity holdings and the increase in protection against falls in interest rates, have meant that there has been only limited impact of this market volatility on the Scheme's investments.

The Trustee continues to closely monitor the developments in financial markets and their impact on the Scheme in conjunction with its advisors. 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 investment assets at 31 March 2020 and the principal investment managers appointed to manage these assets.

Asset class	Principal investment managers	As at 31 March 2020	
		£m	%
Equities	Legal & General Investment Management Limited	1	–
Private equity	Pantheon	485	7
Property	CBRE Collective Investors Ltd Savills LLP	469	7
Growth-asset allocation		955	14
Income-asset allocation	Savills LLP HPS Insight Investment Management Global Limited M&G Investments Western Asset Management Company Limited	2,388	35
Protection-asset allocation	Insight Investment Management Global Limited	3,433	51
Assets subject to benchmark		6,776	100
Pension Funding Partnership		188	
AVCs	Prudential Assurance Company Limited Standard Life Assurance Company	8	
Total net investments		6,972*	

*At 31 March 2020 the Scheme had current liabilities of £30 million, giving total net assets of £6,942 million.

INVESTMENT UPDATE

Investment performance

The investment return achieved by the Scheme, and its constituent portfolios, is measured by the custodian, Northern Trust Global Services Limited. The return for the year ended 31 March 2020, including the liability hedging programme, was 7.2% and the annualised return for the last three years was 6.8%. The table below shows the investment performance of the Scheme, by asset class.

Investment category	Year to 31 March 2020 (%)	Three years to 31 March 2020 (%)
Growth assets	12.8	11.1
Income assets	-1.3	1.1
Protection assets	11.4	8.7
Scheme return	7.2	6.8

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.

Environmental, Social and Governance Policy

Over the past few years, the Trustee has spent a lot of time considering its responsibilities for stewardship of the investments of the Scheme, and developing policies in relation to what is called Responsible Investment (RI), defined as ESG (Environmental, Social and Governance) impacts, including those of climate change.

The Trustee believes that RI issues can have a material impact on the long-term performance of the Scheme's investments and has developed a RI policy. Over the last 12 months the Trustee has reviewed and updated its policies in relation to RI. This included reviewing the Trustee's beliefs in relation to RI by carrying out a survey and debating the outcomes, reviewing the RI policy and updating the Statement of Investment Principles to comply with the latest regulatory changes. The Trustee is continuing to review how it can take a more active stance in relation to RI and ensure that risks and opportunities are being identified and considered.

The Trustee has delegated voting and engagement activity in respect of the underlying assets to the Scheme's investment managers. As part of its own engagement activity, the Trustee through the Investment Committee continues to actively review the Scheme's investment managers' integration of RI issues and stewardship. The Investment Committee holds meetings with the investment managers on a bi-annual basis and engages with the managers on a number of areas including responsible investment and stewardship issues. Recent discussion has focussed on managers' abilities to report against different climate related measures, due to forthcoming regulatory changes.

The Trustee has also continued to receive training on various RI topics including climate change risk, and updates on the latest regulatory changes. This includes forthcoming requirements for mandatory reporting and compliance with climate governance requirements.

The bar is being continually raised on what constitutes current "best practice" and this remains a very topical subject of discussion going forward and an area of focus for the Trustee.

SCHEME AND OTHER NEWS

We're going digital!

Diageo is always looking for ways to reduce its environmental impact, and so we are moving towards paperless communications. By going digital, we will also be able to get information to you more efficiently and quicker, which is even more important in the current circumstances.

All Scheme communications will be issued via the Scheme website – Hartlink Online Portal (HOP) <https://www.hartlinkonline.co.uk/diageo> so we would encourage any member, who has not already done so, to register for HOP and update their email address in the Personal Details section.

Please note that if we don't have your email address, you may miss out on some important communications in the future, such as when your annual benefit statement and these annual Scheme Reviews become available.

Instructions on how to register are provided when you click the Register button. You can also receive a reminder of your Login Name by following the link on the homepage. If you need help with HOP, please contact the Scheme Administrator.

If you wish to continue to receive paper communications, you can opt out of digital communications by emailing the Scheme Administrator at diageopensions@capita.co.uk and in the header of your email include "I wish to opt out of digital communications". Alternatively, you can write to them at the address on page 15. When contacting the Administrator, please provide your full name, address and telephone number, date of birth and your National Insurance number.

Scheme website – Hartlink Online Portal

In addition to a wide range of communication materials, the Scheme website also allows real-time access to your pension record, and enables you to update your personal details (name, address, marital status) and your nomination details using the online Expression of Wish form. Additional functionality is also available and depends on your category of membership:

Active members

- › obtain retirement illustrations
- › view your annual benefit statements
- › access information regarding your benefits in relation to the Annual Allowance
- › access other information regarding your benefits including leaving service options and death benefits

Deferred members

- › obtain retirement illustrations
- › access other information regarding your benefits such as a deferred benefits summary and death benefits

Pensioner members

- › view your monthly payslip
- › view your P60
- › update your bank details
- › access information relating to death benefits

SCHEME AND OTHER NEWS

Government's 2020 Budget

A significant focus of the 2020 Budget was its short-term action aimed at bringing security to an economy facing unsettled times due to the Coronavirus disease outbreak. However, the Chancellor also announced the following in relation to pensions:

- › **Lifetime Allowance:** This will increase in line with the Consumer Prices Index (CPI) from £1,055,000 to £1,073,100 from 6 April 2020. The Lifetime Allowance is the total amount of savings that benefit from tax relief that an individual can have across all UK pension schemes in their lifetime. Savings above the Lifetime Allowance will be subject to additional tax (the Lifetime Allowance Charge).
- › **Tapered annual allowance:** The Annual Allowance (AA) is the maximum amount of pension savings (including employer's contributions) you can make each year to UK registered pension schemes that benefit from tax relief.

Tapered AA is a lower annual allowance for individuals with higher incomes and the AA reduces (known as 'tapering') down from £40,000. Tapering previously only applied if you had both a "threshold income" over £110,000 and an "adjusted income" of over £150,000. From 2020/21, the "threshold income" will increase to £200,000 and the "adjusted income" will increase to £240,000. **Individuals with threshold income below this level will not be affected by the taper.** The effect of the taper is to reduce your annual allowance as your salary increases. The annual allowance is reduced by £1 for every £2 of adjusted income above £240,000, down to a minimum annual allowance of £4,000 (previously £10,000). This reduction will only affect individuals whose earnings are over £312,000.

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 HOP. If you are not yet registered for HOP, 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.

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. Previously, AVCs could only be paid by members who had existing AVC accounts and the principal provider for AVC funds was Prudential. For members who have not paid AVCs before, you have the option to pay AVCs to the Diageo Pension Plan administered by Scottish Widows. Your AVC fund is used to provide additional benefits when you retire. You have a range of options for the investment of your money with Scottish Widows. You can elect to start paying AVCs via the My Diageo Benefits Hub.

SCHEME AND OTHER NEWS

Pension Scams – be extra vigilant!

Unfortunately, there has been a recent surge in scams designed to prey on people's fears around Covid-19 and so we ask you to be extra vigilant at this time. Scammers have been trying to persuade people to transfer their pension, prompted by the volatility of the financial markets and the economic downturn. We urge any members looking to transfer their pension to exercise extreme caution and visit Scam Smart (<https://www.fca.org.uk/scamsmart>) which has specific guidance relating to Covid-19 including the following four-step guide to help you spot the signs and protect yourself from a scam:

1 – Reject unexpected offers

If you're contacted out of the blue about your pension, chances are it's high risk or a scam. Be wary of free pension review offers. A free offer out of the blue from a company you have not dealt with before is probably a scam.

2 – Check who you are dealing with

Check the Financial Services Register (www.register.fca.org.uk) to make sure that anyone offering you advice or other financial services is FCA-authorized. Beware of fraudsters pretending to be from a firm authorised by the FCA, as it could be what we call a 'clone firm'. Use the contact details provided on the FCA Register, not the details they give you.

3 – Do not be rushed or pressured into any decision about your pension

Take your time to make all the checks you need – even if this means turning down an 'amazing deal'. Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision.

4 – Get impartial information and advice

- › The Pensions Advisory Service (www.thepensionsadvisoryservice.org.uk) – provides free independent and impartial information and guidance.
- › Pension Wise (www.pensionwise.gov.uk) – if you're over 50 and have a defined contribution (DC) pension, Pension Wise offers pre-booked appointments to talk through your retirement options.
- › Financial advisers – It's important you make the best decision for your own personal circumstances, so you should seriously consider using the services of a financial adviser. If you do opt for an adviser, be sure to use one that is regulated by the FCA and never take investment advice from the company that contacted you or an adviser they suggest, as this may be part of the scam.

Be ScamSmart with your pension. For more information visit the websites of the Financial Conduct Authority (<https://www.fca.org.uk/scamsmart/how-avoid-pension-scams>) and The Pensions Regulator (<https://www.thepensionsregulator.gov.uk/pension-scams>)






If you suspect a scam:







- › Report it to the Financial Conduct Authority (FCA) by contacting their Consumer Helpline on 0800 111 6768 or using the reporting form at www.fca.org.uk
- › Report it to Action Fraud on 0300 123 2040 or at www.actionfraud.police.uk
- › If you've already signed something you're now unsure about, **contact your pension provider immediately.** They may be able to stop a transfer that hasn't taken place yet. Then contact The Pensions Advisory Service at <https://www.pensionsadvisoryservice.org.uk> or by calling 0800 011 3797.

THE TRUSTEE

The Trustee of the Scheme is Diageo Pension Trust Limited. There are currently 12 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 elected 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	Trustee nominated				
 <p>Charles Coase, Chairman</p>	 <p>Sharon Fennessy²</p>	 <p>Catherine James^{2,3}</p>	 <p>Caroline Wehrle^{1,3}</p>	 <p>Eddie McShane^{1,2}</p>	<p>Chris Lewin <i>To be appointed in December 2020</i></p> <p>Clare Reilly <i>To be appointed in December 2020</i></p>

Member nominated					
 <p>John Cant²</p>	 <p>Jim Donaldson</p>	 <p>Carolyn Isaacs^{1,2}</p>	 <p>Andrew Lynn^{1,3}</p>	 <p>Liz Paxton³</p>	 <p>Ian Shaw^{2,3}</p>

Mena Hatchman and David Heginbottom, Trustee nominated Directors, resigned from the board on 26 November 2019 and 30 September 2020 respectively.

1 Audit Committee member	2 Investment Committee member	3 Discretions Committee member
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The main committees of the Trustee Board are the Audit, Investment and Discretions Committees, the members of which are identified above. The roles of the Audit and Discretions Committees are summarised below. Further information on the work of the Investment Committee is provided on page 7.

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.

Discretions Committee

The Discretions Committee is responsible for exercising on behalf of the Trustee certain discretions under the Rules of the Scheme.

THE TRUSTEE

Secretary	
Aedin Kenealy	
Advisers to the Trustee	
Actuary	James Miller – Aon
Administrator	Capita Employee Solutions
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:** <https://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).

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 <https://www.hartlinkonline.co.uk/diageo>. If you have further questions regarding the processing of your personal information, please contact the Scheme Administrator.

