



**Guinness Storehouse
Pension Plan
Report to Members 2016**

Your Guinness Storehouse Pension Plan is working with you to create a successful future.
Read this update on what's been happening in the Guinness Storehouse Pension Plan.

Chairman's report



Welcome to the Guinness Storehouse Pension Plan (the "Plan") 'Report to Members 2016'. This Report provides you with a summary of several important matters: a brief outline of the operation of the Plan, the contributions to the Plan for the year ended 30 June 2015, a summary of the performance of the Plan's investment funds, and general pensions' news.

It is important to the Trustee that its communications help you to understand the operation of the Plan and keep you up to date with relevant news and information. The key points are summarised below, with further detail and explanation in the subsequent pages.

Summary of the Plan's annual report

The Plan is established under a trust and is governed by its Trust Deed and Rules. It is a defined contribution plan which is a separate legal entity from the Guinness Storehouse and has the approval of the Office of the Revenue Commissioners. The Plan has been registered with the Pensions Authority. Ultimate benefits are determined by the level of contributions paid into the Plan and by the investment returns achieved on them. Page 3 of this report provides details of the contributions paid into the Plan during the year to 30 June 2015. The annual report for the year to 30 June 2015 is available on request.

Investment news

This section on pages 4-5 provides a summary of the Irish Life funds under management used by the Plan and performance of those funds during the year along with a summary of the changes that took place after the year end.

Pension news

Other news affecting pensions is provided on page 7.

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 Diageo Pensions Team, whose contact details are shown on page 8.

Paul Carty
Chairman, Guinness Storehouse Ireland Pension Trustees Limited

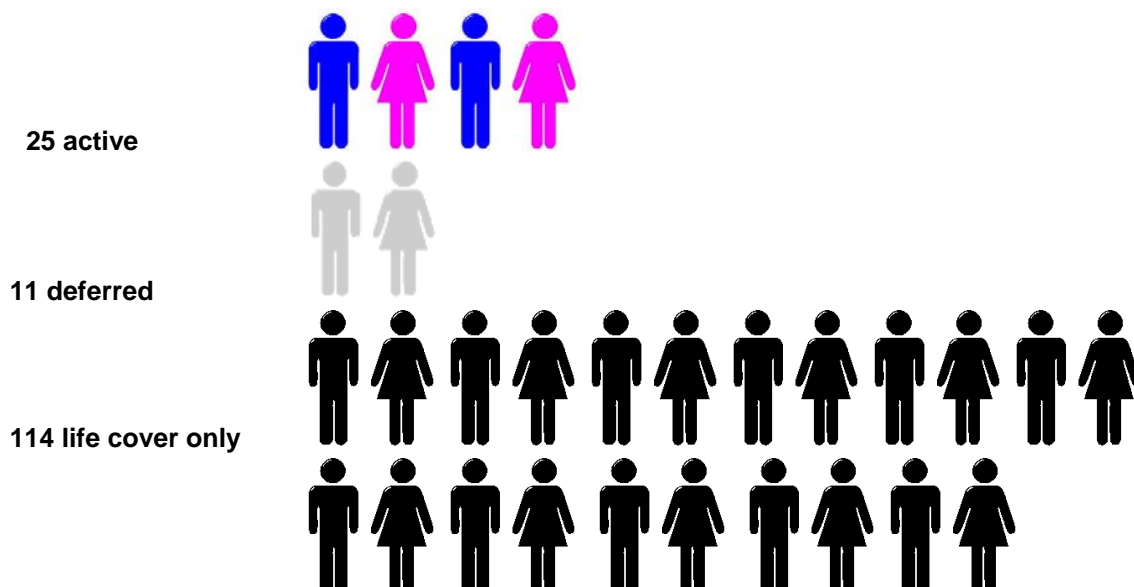


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Summary of Plan's annual report

Scheme membership

At the start of the Plan year, 1 July 2014, the total membership was made up as follows:



Active member: those members who are employed by the Company and for whom contributions are being received.

Deferred member: those members who left the Plan but retain benefits in the Plan until retirement age.

Life cover only member: those members included in the Plan for death in service benefits only.

Contributions

Active members pay a minimum contribution of 3% of their Pensionable Pay (i.e. basic pay plus flexible hours payments) each month into their personal pension account and the Company pays a minimum contribution of 5%.

What if I wish to contribute more? If you are an active member you can pay Additional Voluntary Contributions (AVCs) into your personal pension account subject to a maximum, which is based on your age. Full details can be found in the member booklet.

Did you know? If you are an active member and have already completed 2 years of service with the Company, the Company will **match** any additional voluntary contributions (AVCs) that you choose to make, up to a maximum additional contribution of 3%. Therefore after 2 years of service you could pay 6% and the Company would pay 8% of Pensionable Pay giving a total amount of 14% going into the your personal pension account.

If you wish to pay more contributions into the Plan, please contact the Diageo Pensions Team for an AVC form.

Contributions paid to the Plan during the year to 30 June 2015 were:

Company	€43,120
Member	€28,623
AVCs	€3,764
Total contributions	€75,507

In addition to the above, the Company pays the expenses of the Plan as well as €9,379 to cover the cost of insuring the death benefits payable under the Plan.

Investment news

The day to day management of the Plan's assets is carried out by Irish Life. However, the Trustee retains full responsibility for selecting the investment options and default strategy for the Plan. These investment decisions are taken in line with advice received from the Trustee's consultants, Willis Towers Watson.

The Trustee's overall objective is to make available a range of investment options which meet the varying investment needs and risk tolerances of Plan members. The returns on the investment funds and the fees charged on the funds under management are reviewed at each Trustee meeting. In addition, the Trustee conducts an annual review of the Plan's processes, using the benchmark for best practice given in the guidelines produced by the Irish Association of Pension Funds.

Summary of investments for the year to 30 June 2015

During the year to 30 June 2015, the Trustee offered the following range of funds, some of which were available only as part of a lifestyle strategy:

Approved Retirement Fund *
Consensus Fund
Growth Fund*
Index Global Equity Fund

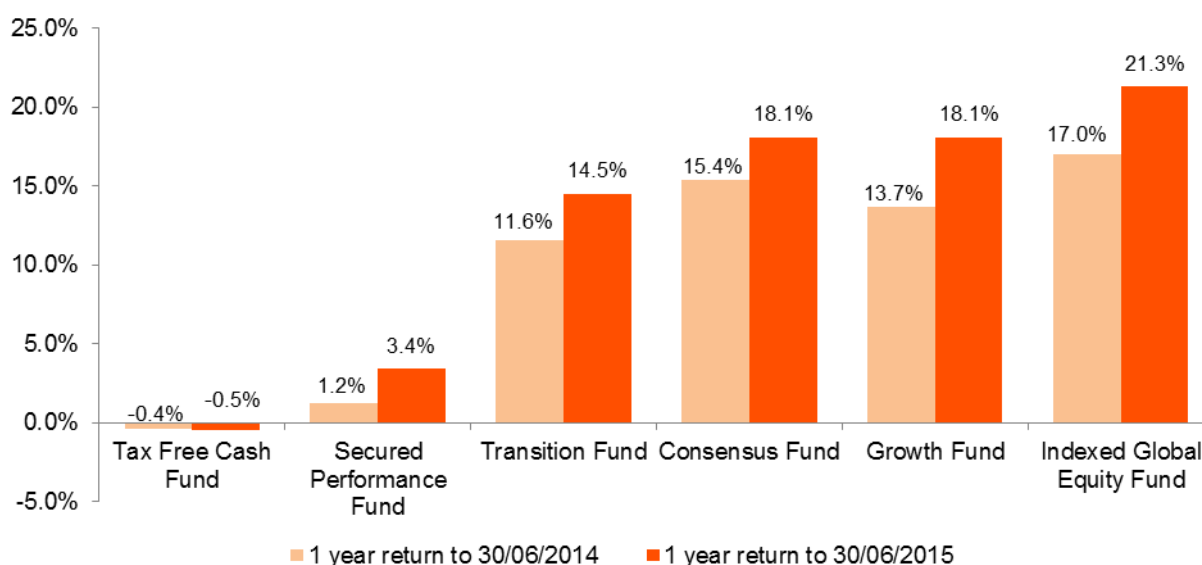
Pension for Life Fund*
Secured Performance Fund
Tax Free Cash Fund
Transition Fund*

*available as part of the Lifestyle Strategy only

At 30 June 2015, the total value of the funds under management was €1,166,808.

Investment performance

Over the year to 30 June 2015 the performance of the funds invested in and available to members are summarised below together with the previous year's return:



Changes to investments after 30 June 2015

In the second half of 2015, the Trustee reviewed the above investment options and decided to change the range of investment options available under the Plan. The revised options give members a wider range of investments to choose from along with an improved default investment strategy. Another advantage of the new investments is the reduced annual management charges. Under the new options these are lower at 0.55% (a reduction of 0.1%).

Investment news

The revised investment options, which are covered more fully within the Member Investment Guide allow you to choose either of the following options:

1. “Do It For Me” which is the default option

Do It For Me

Growth phase	High Risk/Return Growth strategy (more than 20 years from retirement)
Transition phase	Medium risk/return growth strategy (between 6 and 20 years before retirement)
Consolidation phase	Cash, pension for life fund and low risk/return growth strategy (last 6 years before retirement)

2. “Do It Myself” which allows you to take control of your investment choices

Do It Myself

Indexed world equity fund (partially hedged)
High risk/return growth strategy
Medium risk/return growth strategy
Indexed corporate bond fund
Indexed Eurozone over 5 year bond fund
Tax free cash fund

In November 2015, your existing investments and future contributions (if applicable) were switched into the new investment options in line with your instructions if you returned a completed switch form. If you did not complete an option switch form your investments and future contributions (if applicable) were switched into the default “Do It For Me” option.

To find out more about the new funds or download the latest factsheets to get the most recent information, please visit www.mydiageopension.com and then select Irish Defined Contribution (DC) Schemes > Guinness Storehouse Pension Plan > Investment options.

Pension news

Pensions levy

The Finance (No.2) Act 2011 introduced a pension levy of 0.6% of the value of the pension fund assets to apply for four years. In his statement, the Minister confirmed that this levy would be abolished from 31 December 2014. However, the Minister also announced that an additional levy of 0.15% would be payable in 2014 and 2015. Therefore, the final levy was 0.15% for 2015 after which it has been abolished.

Pension scams – don't get stung

Trustees are being asked to warn members about pension scams – which unfortunately are on the rise. You may have already been targeted. The scammers have a variety of tricks to catch you out. They may:

- Claim that you can access your pension pot at any age;
- Approach you out of the blue over the phone, via text message or in person door-to-door;
- Entice you with upfront cash;
- Offer a free 'pension review' or try to lure you in with so-called 'one-off' investment opportunities.

What they won't tell you is that you'll probably never see your pension pot again. Don't be fooled by their promises.

Check the facts before you make an irreversible decision.

Never be rushed or pressured into making a decision; a lifetime's savings can be lost in a moment. If in doubt, check with the Diageo Pensions Team.

The Trustee and its advisers

The Trustee of the Plan is Guinness Storehouse Ireland Pension Trustees Ltd. The Board of the Trustee comprises three Trustee Directors who have responsibility for ensuring that the Plan is run in accordance with its Trust Deed and Rules.

Trustee Directors

Paul Carty (Chairman)

Edwina Maher (resigned 26 February 2016)

Mark Sandys

Paul Tully (appointed 1 March 2016)

Trustee Secretary

Aedin Kenealy

Advisers to the Trustee

Consultant	Willis Towers Watson (Ireland) Limited
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Registered Administrator	Irish Life – Corporate Business
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Investment Manager	Irish Life Investment Managers
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Guidance	Diageo Pensions Team
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Sponsoring Employer

Guinness Storehouse Limited, referred to in this report as the “Company”.

Where to get further information

Irish Life website

You can find further useful information about your pension and saving for retirement on the Irish Life website www.irishlifecorporatebusiness.ie. There is a dedicated section for members, containing a lot of useful information to help you understand how pensions work, how much needs to be saved for retirement and how benefits can be claimed at retirement. It also includes member education videos, FAQs, information about investment options and fund performance to keep you up to date with the returns on your pension savings. The investment centre is full of features such as a comparison tool to track and compare funds, weekly and monthly updates and investment video commentary on latest market developments.

Keep up to date with Pension Planet Interactive

Pension Planet Interactive is an Online access tool that is easy to use and offers comprehensive information. As a member Pension Planet Interactive helps you stay up to date with your individual pension plan and plan for retirement. In addition there is a “My Pension” app, which is an easy-to-use smartphone app designed to help you with your retirement planning. This app is your individual pension calculator on the go, which offers you a wealth of information about your pension plan and investment details. Find out more on the Irish Life Pension App website, where you can view guides and a demo video of the App, www.mypensionapp.ie

If you have any questions relating to this report or any aspect of the Plan or would like a copy of the full Trustee Annual Report, please contact the Diageo Pensions Team:

Guinness Storehouse Pension Plan
c/o Diageo Pensions Team
Edinburgh Park
5 Lochside Way
Edinburgh
EH12 9DT
United Kingdom

Telephone: 01 471 4422
Email: pensions@diageo.com

When contacting the Pensions Team, it is helpful if you clearly state you are a Guinness Storehouse Pension Plan member.

KEEP IN TOUCH

It is important that you notify the Diageo Pensions Team of any change of address, even after you leave Guinness Storehouse, so that they can ensure that you receive your benefits when they become due.

EXPRESSION OF WISH

It is important that you complete, and keep up to date, your Expression of Wish form. The Trustee will take into account any wish you may have expressed in the event of any death benefits becoming payable although these are not binding. This form is available from the Diageo Pensions Team.

MEMBER DATA (active members)

As a member of the Plan, it is very important that we hold the correct personal data on our records, particularly in relation to your marital status. A spouse's pension can be payable on death in service, in addition to a lump sum death benefit. To ensure that the correct death benefit is provided for you, it is important that we have full details of your dependant(s). Please keep Workday up to date with changes in your personal circumstances.