

JOINT TRADE UNIONS & DIAGEO SCOTLAND LTD WAGE SETTLEMENT AGREEMENT 2019

17 September 2019

FINAL OFFER

Since May, the Company has been engaging in discussions with both the GMB & Unite unions with the intention of reaching agreement on a pay increase for bargaining group employees in Scotland.

Following challenging and lengthy discussions and negotiations, the company has put forward a final offer which the Unions agree will be put to a consultative ballot by members of both Unions.

The details of the offer

1. Length of Deal

- The company is offering a two-year deal that will run from 1 July 2019 until 30 June 2021.

2. Pay increase

- An increase of 3.0% in year 1 will flow through to all rates and allowances, backdated to July 1 2019.
- For the purpose of this agreement, Year 2 will be based on May 2020 RPI published in June 2020 to ensure payment in July 2020 payroll, and also flow through to all rates and allowances.

3. Commitment to Collective agreement talks

- Both parties commit to agreeing a collective agreement by 30 June 2020 which will stabilise relations and prevent the need for strike action threats, with a commitment to re-introduce a performance based bonus incentive from 1 July 2020 at 3% of salary for on target performance. Terms would include removal of the scheme on any issuance of a formal ballot for Industrial Action.

4. Suspension of strike action

The Unions will formally withdraw the current notice of strike action and the Unions undertake that no strike action shall take place on the dates notified or at all without further notification being given in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 as amended.

5. Communications

The Unions and the Company agree that they will use this agreement as the basis as a joint statement to the workforce and any communications issued by the Unions shall be in terms which are wholly consistent with this joint statement.

The Company believes this is a strong, fair offer and ensures that we can remain competitive as a centre of international supply to over 180 countries around the world.

This offer is recommended for acceptance by the Joint Trade Unions as the best achievable in negotiations.

Its acceptance will enable us to constructively move on to discussions on the future of the collective agreement and our employee relations agenda in Scotland which is important for our people and ways of working.