

DIAGEO

ESG Reporting Index 2024



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Our ESG reporting approach

Our ambition is to be one of the best performing, most trusted and respected consumer products companies in the world.

To achieve that ambition, we need to make sure we are doing business the right way, from grain-to-glass. That means thinking about the long-term value and impacts we create, and the risks and opportunities of our operating environment and business model. It also means ensuring we are proud of what we do at work, at home and in our communities.

Reporting transparently on environmental, social and governance (ESG) issues plays a vital role in delivering our strategy. It helps us to manage ESG risks, seize opportunities and promote sustainable development everywhere we live, work, source and sell.

Our ESG reporting suite aims to provide comprehensive and comparable disclosures for a broad range of stakeholders. As well as publishing our Integrated [Annual Report](#) and ESG Reporting Index at year end and maintaining up-to-date information on our 'Spirit of Progress' ESG action plan on our [website](#), we also submit non-financial information to benchmarking and index organisations throughout the year, including those listed on the [Awards and rankings](#) section of our website.

The Board of Directors of Diageo plc is responsible for the preparation and presentation of the ESG Reporting Index. More details about the information included in the ESG Reporting Index and its supporting data, including how Diageo has selected and determined appropriate performance indicators, definitions, scope, baselines and other information, is set out in the Reporting boundaries and methodologies section on pages 94-116. We have established and maintained procedures that are designed with the aim of ensuring that the information set out in the ESG Reporting Index is as accurate as possible at the time of publication, including review and approval by senior management and the Board of Directors prior to publication.

Non-financial reporting is a rapidly evolving area. We are committed to continuous evaluation and improvement of our approach and we actively track emerging ESG regulations, frameworks and standards.

By 2026, we expect to report under the International Sustainability Standards Board (ISSB) and Corporate Sustainability Reporting Directive (CSRD). We are undertaking a double materiality assessment, the results of which will be reported on in fiscal 25. Our preliminary view is that our materiality assessment supports our performance target review and simplification.

We continue to report aligned to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) reporting. Given the interconnectivity of climate and nature, we have incorporated some of the Taskforce on Nature-related Financial Disclosures (TNFD) into our TCFD reporting, with an aim to be fully aligned with TNFD in the medium term.

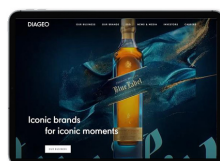
In the United States, California has recently enacted the Voluntary Carbon Market Disclosures Act, California Assembly Bill No. 1305 ("AB-1305") requiring companies operating in California to make certain disclosures regarding carbon neutrality and carbon emissions reduction claims, and voluntary carbon offsets. We provide disclosures pursuant to AB-1305 in the Annual Report, within our Net Zero Carbon Strategy on our website and our responses to CDP (formerly known as the Carbon Disclosure Project) climate change questionnaire which is available through CDP's website.

How we report to our stakeholders - our reporting suite



Annual Report

Where we present our most material disclosures and describe how our strategy delivers value for our business and our communities.



Diageo.com

Where, through the 'ESG' section, we give further details of our approach and performance, including examples of our strategy in action.



ESG Reporting Index

Where we provide additional disclosures in line with the GRI Standards Index and our response to the Sustainability Accounting Standards Board (SASB). More information about how we use these frameworks can be found on page 2 of this ESG Reporting Index.

Who are our stakeholders?

Everyone who is affected by our business and everyone who affects it, is a stakeholder. A detailed description of our stakeholder engagement process is set out on our [website](#).

How to use this ESG Reporting Index

This ESG Reporting Index aims to complement our integrated Annual Report by providing a broader range of ESG disclosures.

Our Annual Report explains the wider context in which we operate and presents our ESG performance in relation to both our corporate performance and global sustainable development issues. Our ESG Reporting Index supplements the information provided in our Annual Report by providing detailed information about how we manage our most material issues.

We use two ESG reporting frameworks: the GRI and SASB. These frameworks allow us to provide information in a structured and consistent way, enabling our stakeholders to analyse our performance over time and relative to other organisations. The purpose of each of these frameworks and information on how they should be used are described below, alongside our Reporting boundaries and methodologies.

Throughout this ESG Reporting Index we often refer to our Annual Report and website, where more information on our strategy, standards and policies can be found. Please note that each disclosure in this ESG Reporting Index can be read in isolation; the hyperlinked navigation at the top of each page enables readers to quickly move from section to section and works best when the report is downloaded to desktop.

Section	What is in this section and how to use it
Introduction	An overview of our ESG reporting approach and our materiality assessment.
GRI Index	A broad and comprehensive set of disclosures on organisational impacts that are relevant to a wide range of stakeholders, in line with the GRI framework. Please see page 5 for information on how we have mapped the GRI Standards to our 'Spirit of Progress' plan.
SASB	Sector-specific disclosures for alcohol beverage companies, in line with the SASB framework. To avoid duplication, this section cross-references widely to the GRI Index disclosures.
Reporting boundaries and methodologies	Information about how we report on each of our 'Spirit of Progress' targets and various other quantitative metrics. For each 'Spirit of Progress' target we provide the performance indicator, definitions, scope, baseline and limitations to the data where relevant.
Assurance statement	Independent assurance is a key part of our approach to reporting. Again, this year, we engaged PricewaterhouseCoopers LLP (PwC) to provide independent limited assurance on selected non-financial information. Within this report, information that is within PwC's limited scope is marked with the symbol Δ. PwC's assurance statement includes a list of metrics that have been assured and a description of the work performed, how they set and define materiality and their assurance conclusion.

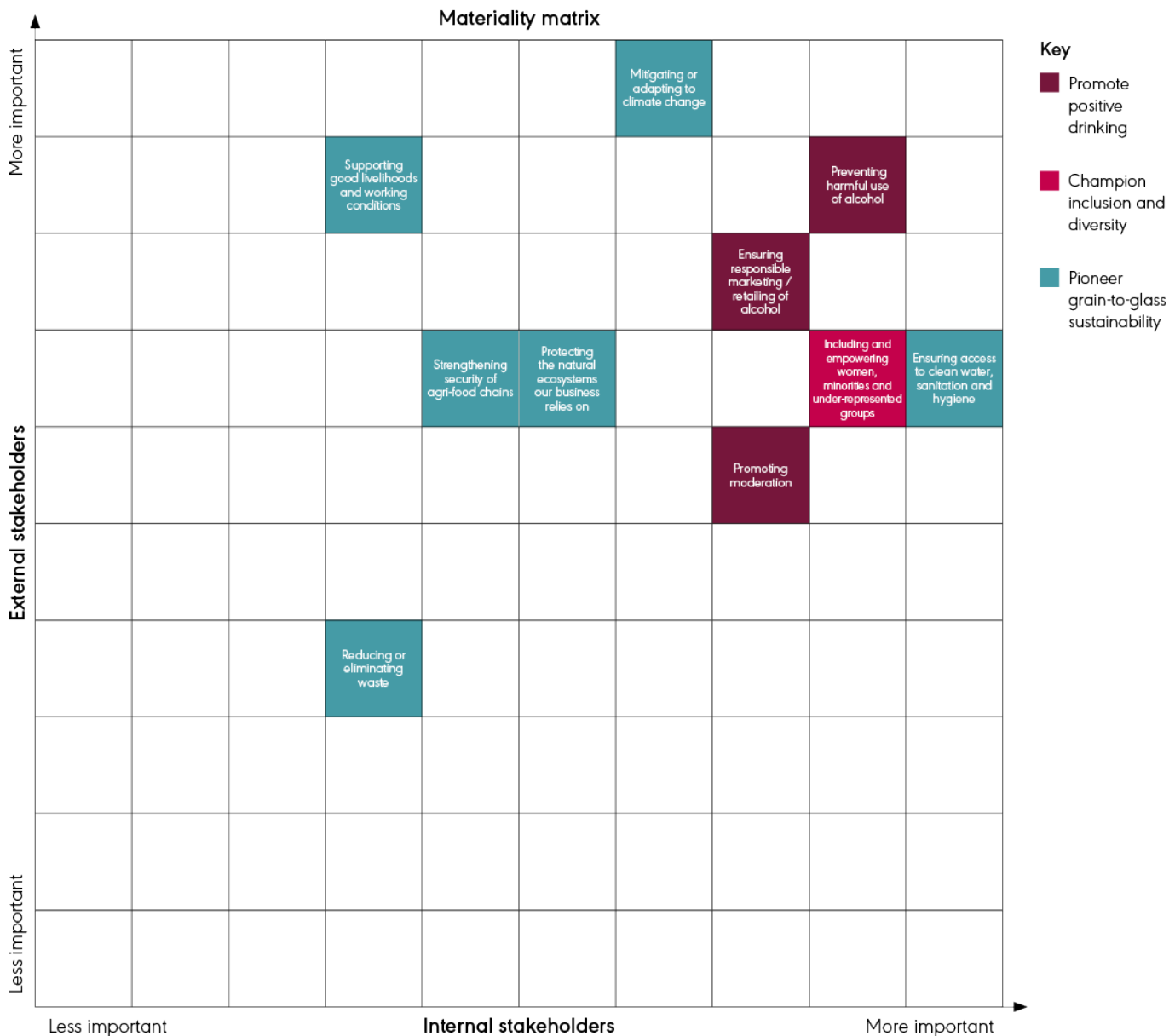
ESG materiality

What matters most - to our stakeholders and to our business.

In 2020 we launched our 'Spirit of Progress' plan to support sustainable growth over the critical decade until 2030. A rigorous ESG issues assessment delivered in fiscal 20 informed our plan. This assessment looked at the external trends shaping our operating environment and how we can most effectively align our work with the UN Sustainable Development Goals (UN SDGs). We interviewed many internal and external stakeholders and explored the findings in workshops with experts from our business functions in Bangalore, London, Nairobi, New York and Singapore. We also held a full-day workshop with our Executive Committee and had multiple interactions reviewing the strategy with our Board.

We review materiality on an annual basis, considering stakeholder comments - including those arising from our internal subject-matter experts - Corporate Relations activity, financial analysis and external developments.

We believe all the topics presented in our materiality assessment below are important to our business. This matrix illustrates the view of both internal and external stakeholders about which topics are most critical, with the rankings informing our 'Spirit of Progress' plan.



GRI Index

4 GRI Index

Universal standards

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Topic standards

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GRI Index

This index outlines our response to the GRI Sustainability Reporting Standards

Our definition of material is relatively broad and includes issues that surfaced as part of our materiality assessment, regardless of priority, as illustrated on page 3. We have reported on as many standards as possible, against the priorities set by our materiality review. We continue to report against the most recent versions of the GRI Standards, staying true to our philosophy of reporting in a transparent manner to global standards of best practice on a range of economic, environmental and social impacts.

Translating our ‘Spirit of Progress’ plan to GRI

In addition to informing our strategy, our materiality assessment guides our reporting and has helped us determine which issues to address in our Annual Report, on our [website](#) and in our ESG Reporting Index, so as to be most informative for our stakeholders. The following table maps our activities and programmes against the GRI Standards.

GRI Standards		Our strategic focus area	
Universal standards	GRI 1	Foundation – reporting principles	<ul style="list-style-type: none"> • Reporting principles • Doing business the right way from grain-to-glass
	GRI 2	General disclosures	<ul style="list-style-type: none"> • Organizational profile and reporting practices • Activities and workers • Governance • Strategy, policies and practices • Stakeholder engagement • Doing business the right way from grain-to-glass
	GRI 3	Material topics	<ul style="list-style-type: none"> • Process to determine material topics • List of material topics • Management of material topics • Doing business the right way from grain-to-glass
Topic standards		Economic	<ul style="list-style-type: none"> • Champion inclusion and diversity • Pioneer grain-to-glass sustainability
		Environmental	<ul style="list-style-type: none"> • Pioneer grain-to-glass sustainability
		Social	<ul style="list-style-type: none"> • Promote positive drinking • Champion inclusion and diversity • Pioneer grain-to-glass sustainability

GRI Index *continued*

How we have complied with the GRI Standards

This report has been prepared in accordance with the GRI 2021 Standards. The material in this report references the following disclosures:

GRI 1: Foundation

GRI 1-1 to 1-8 from GRI 1: Foundation 2021

GRI 2: General disclosures

GRI 2-1 to 2-30 from GRI 2: General Disclosures 2021

GRI 3: Material topics

GRI 3-1 to 3-3 from GRI 3: Material Topics 2021

Economic

GRI 201-01 to 201-04 from GRI 201: Economic Performance 2016

GRI 202-01 to 202-02 from GRI 202: Market Presence 2016

GRI 203-01 to 203-02 from GRI 203: Indirect Economic Impacts 2016

GRI 204-01 from GRI 204: Procurement Practices 2016

GRI 205-01 to 205-03 from GRI 205: Anti-corruption 2016

GRI 206-01 from GRI 206: Anti-competitive Behaviour 2016

GRI 207-01 to 207-04 from GRI 207: Tax 2019

Environmental

GRI 301-01 to 301-03 from GRI 301: Materials 2016

GRI 302-01 to 302-05 from GRI 302: Energy 2016

GRI 303-01 to 303-05 from GRI 303: Water and Effluents 2018

GRI 304-01 to 304-04 from GRI 304: Biodiversity 2016

GRI 305-01 to 305-07 from GRI 305: Emissions 2016

GRI 306-01 to 306-05 from GRI 306: Waste 2020

GRI 308-01 to 308-02 from GRI 308: Supplier Environmental Assessment 2016

Social

GRI 401-01 to 401-03 from GRI 401: Employment 2016

GRI 402-01 from GRI 402: Labour/Management Relations 2016

GRI 403-01 to 403-10 from GRI 403: Occupational Health and Safety 2018

GRI 404-01 to 404-03 from GRI 404: Training and Education 2016

GRI 405-01 to 405-02 from GRI 405: Diversity and Equal Opportunity 2016

GRI 406-01 from GRI 406: Non-discrimination 2016

GRI 407-01 from GRI 407: Freedom of Association and Collective Bargaining 2016

GRI 408-01 from GRI 408: Child Labour 2016

GRI 409-01 from GRI 409: Forced or Compulsory Labour 2016

GRI 410-01 from GRI 410: Security Practices 2016

GRI 411-01 from GRI 411: Rights of Indigenous Peoples 2016

GRI 413-01 to 413-02 from GRI 413: Local Communities 2016

GRI 414-01 to 414-02 from GRI 414: Supplier Social Assessment 2016

GRI 415-01 from GRI 415: Public Policy 2016

GRI 416-01 to 416-02 from GRI 416: Customer Health and Safety 2016

GRI 417-01 to 417-03 from GRI 417: Marketing and Labelling 2016

GRI 418-01 from GRI 418: Customer Privacy 2016

GRI Index *continued*

Universal standards

GRI 1: Foundation

Reporting principles

Disclosure	Our response
1-1 Accuracy	<p>We clearly, consistently and transparently report our performance against our 'Spirit of Progress' plan on pages 48-74 of our Annual Report.</p> <p>We explain our methodology for calculating performance against targets in the Reporting boundaries and methodologies section of this ESG Reporting Index. PwC was engaged to provide independent limited assurance over selected information in our Annual Report and in this ESG Reporting Index for the year ended 30 June 2024.</p>
1-2 Balance	<p>We report against stretching targets and GRI indicators, whether or not our performance has been strong. This gives a balanced view of the impacts we make, which we have defined by considering the views of a range of stakeholders.</p> <p>We aim to present information in such a way that readers can assess trends in performance year on year.</p>
1-3 Clarity	<p>Our ESG information is described at a high level on our website, with examples to bring our strategy to life. We identify and report on the most material issues in our Annual Report. And we have produced this ESG Reporting Index to make sure our readers can find all the information they seek, including our responses to all GRI Standards.</p>
1-4 Comparability	<p>We have designed our Annual Report and this ESG Reporting Index to enable stakeholders to easily review our performance over time, and to help readers find comparable information to other companies by following generally accepted reporting frameworks, such as GRI and the Greenhouse Gas Protocol (GHG Protocol). Where we have differed from the methodology described in those standards, we have transparently reported on those differences in our Reporting boundaries and methodologies section.</p>
1-5 Completeness	<p>Our coverage of material topics is explained in the Material topics section on page 20 and the scope of our performance indicators are outlined in the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index.</p>
1-6 Sustainability context	<p>Our Annual Report explains the wider context in which we operate and presents our sustainability performance in relation to both our corporate performance and global sustainable development issues, including the Paris Agreement and the United Nations Sustainable Development Goals (UN SDGs).</p> <p>Our Annual Report also presents how our material issues - that is, economic, environmental and social issues - relate to our long-term strategy, risks, opportunities and goals, including throughout our value chain.</p>
1-7 Timeliness	<p>We continue to publish this ESG Reporting Index alongside the Annual Report.</p>
1-8 Verifiability	<p>Our reporting methodologies for non-financial information can be found on pages 94-116 of this ESG Reporting Index. In some cases, our data and processes are assured by third parties.</p> <p>Information on effective risk management, control environment and internal controls can be found on pages 77-85 of Annual Report.</p> <p>PwC was engaged to provide independent limited assurance over selected non-financial information in this ESG Reporting Index and the Annual Report for the year ended 30 June 2024.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed









Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures

Organisational profile and its reporting practices

Disclosure	Our response
2-1  Organisational details	Organisational details on Diageo can be found in the Annual Report, on pages 4, 32-44 and 185.
2-2  Entities included in the organisation's sustainability reporting	We describe the entities included in our sustainability reporting within the Reporting boundaries and methodologies section of this ESG Reporting Index on page 94. It includes information about the difference between the list of entities included in our Financial Statements and our ESG reporting on this page, as well as an explanation of the approach used to consolidate information from multiple entities for the different indicators included in our ESG reporting.
2-3  Reporting period, frequency and contact point	We report every year in line with our financial reporting. Contact information: nonfinancialreporting@diageo.com .
2-4  Restatements of information	Our approach to restating information from previous reporting periods is included within the Reporting boundaries and methodologies section of this ESG Reporting Index on pages 94-116. This includes restatements of baseline environmental data on page 96.
2-5  External assurance	<p>Assurance policy and practice</p> <p>Our policy is to align our reporting of non-financial information with the most up-to-date, and what we consider to be the best, standards and protocols available at the beginning of our fiscal year. We believe in reporting against reliable data and strive to improve the quality of our non-financial disclosures. More information on our assurance approach can be found on our website under ESG reporting approach.</p> <p>PwC</p> <p>PwC, an independent auditor, was engaged to provide independent limited assurance over selected non-financial information in the Annual Report, and this ESG Reporting Index for the year ended 30 June 2024. Information that is within PwC's limited assurance scope reported to the Directors is noted in the assurance report on page 258 of the Annual Report and on page 118 of this ESG Reporting Index. The Audit Committee approves the appointment and sets the scope of PwC's limited assurance engagement.</p>
2-6  Activities, value chain and other business relationships	<p>Activities, brands, products and services</p> <p>Key details about our brands and products can be found in the Our business today section of the Annual Report on pages 4-5. An overview of our production can be found in the Our business model section on pages 12-13. For information about financial performance, see our Financial Statements from page 152 of the Annual Report.</p> <p>Markets served</p> <p>A geographic breakdown of our markets and supply operations is outlined in the Business review section of the Annual Report on pages 32-44.</p> <p>Supply chain</p> <p>Details of how we work with our suppliers are included in the Pioneer grain-to-glass sustainability section of the Annual Report on pages 48-74.</p> <p>For acquisitions and disposals, material organisational restructuring programmes and for changes in share capital structure, please see the Notes section of our Annual Report on pages 166-167.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Activities and workers

Disclosure

Our response

2-7 Employees

We employ 30,367 people around the world.



Average number of employees by region, by gender and by employment contract type.¹

	Part-time	Full-time	Permanent	Fixed-term/ temporary	Total
North America					3,144
Men	6	1,838	1,838	6	1,844
Women	2	1,284	1,275	11	1,286
Not declared	–	14	14	–	14
Europe					10,524
Men	109	5,863	5,762	210	5,972
Women	230	4,308	4,282	256	4,538
Not declared	–	14	14	–	14
Asia Pacific					8,763
Men	9	5,788	5,570	227	5,797
Women	30	2,935	2,618	347	2,965
Not declared	–	1	1	–	1
Latin America and Caribbean					4,437
Men	–	2,761	2,734	27	2,761
Women	1	1,674	1,646	29	1,675
Not declared	–	1	1	–	1
Africa					3,499
Men	–	2,225	2,165	60	2,225
Women	–	1,272	1,194	78	1,272
Not declared	–	2	2	–	2
Diageo (total)					
Men	124	18,475	18,069	530	18,599
Women	263	11,473	11,015	721	11,736
Not declared	–	32	32	–	32
All	387	29,980	29,116	1,251	30,367

1. In some countries the concept of 'permanent employment' does not exist. For reporting purposes, we have considered as 'permanent' all those employees whose contract is not fixed-term or temporary. Part-time is defined as an employee not working at 100% of a full-time equivalent.

Information about our total workforce by employees and supervised workers, and by gender, is included in the Our people and culture section of our Annual Report on page 56.

The methodologies and assumptions used to compile this data are described in the Reporting boundaries and methodologies section of this ESG Reporting Index on pages 94-116.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Activities and workers

Disclosure	Our response
2-8  Workers who are not employees	<p>Our extended workers cover engagements which are required to be resourced at speed and where there is no requirement to commit to a fixed staffing cost. This includes short-term capacity challenges, specialist expertise/resource, deliverables, commercials, and knowledge transfer to Diageo that addresses a particular business issue, opportunity or requirement. The resource is either employed by a staffing agency and placed on assignment with us where Diageo is responsible for the day-to-day direction of work, or as an independent contractor whose work is based on pre-agreed milestones and not under the direction of Diageo teams.</p> <p>The main types of work they perform include:</p> <ul style="list-style-type: none"> • Construction projects, resulting from investments we're making in the business. • Supply manufacturing, such as packaging operators, warehouse operators and forklift truck drivers. • Project managers across our corporate functions. <p>The monthly average contractor headcount in our extended workforce was 3,989, supporting our operations across 32 countries. This was an average of 1,108 fewer monthly contractors than in fiscal 23. The decrease was primarily driven by continuous management of the cost of extended workers as a part of ongoing productivity, a reduction in overall manufacturing volumes globally and outsourcing of commercial operations in India to a service provider.</p> <p>Please refer to our non-financial Reporting boundaries and methodologies in this ESG Reporting Index on pages 94-116 for more information on how data has been compiled.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Governance

Disclosure	Our response
2-9 ● Governance structure and composition	<p>Our governance structure is included in the Governance section of the Annual Report on pages 87-151. Our Chief Executive, Debra Crew, is ultimately accountable for overall performance against ESG goals and targets, while responsibility for the component parts of 'Spirit of Progress' is shared between members of our Executive Committee, including, for example:</p> <ul style="list-style-type: none"> • The President, Global Supply and Procurement is responsible for environmental performance, health and safety, and for labour standards within the supply network. This person also holds the post of Chief Sustainability Officer. • The Global Corporate Relations Director is responsible for social topics, specifically positive drinking and the community elements of our commitment to champion inclusion and diversity and pioneer grain-to-glass sustainability. <p>The Board has three standing committees: the Audit Committee, the Nomination Committee and the Remuneration Committee. More information on the membership and work of these committees is included in the Governance section of the Annual Report on pages 87-151.</p>
2-10 ● Nomination and selection of the highest governance body	<p>The Nomination Committee of the Board is responsible for keeping under review the composition of the Board and succession planning for the Board and senior leadership positions. For more information, see the Governance section of our Annual Report on pages 87-151.</p> <p>The terms of reference of all Board committees are available on our website.</p>
2-11 ● Chair of highest governance body	<p>The Chair of the Board is a Non-Executive Director and was independent on appointment in accordance with Provision 9 of the UK Corporate Governance Code.</p>
2-12 ● Role of the highest governance body in overseeing the management of impacts	<p>The Board helped shape and approve our approach to our 'Spirit of Progress' goals. The Executive Committee is responsible for managing economic and ESG impacts, with accountability to the three standing committees.</p> <p>More details can be found in the Governance section of the Annual Report on pages 87-151.</p>
2-13 ● Delegation of responsibility for managing impacts	<p>See GRI 2-9 Governance structure and composition for more information about our delegation of authority and executive-level responsibility for economic, environmental and social topics.</p>
2-14 ● Role of the highest governance body in sustainability reporting	<p>Our Annual Report and this ESG Reporting Index are signed off by the Chief Executive and Chief Financial Officer and approved by the Board.</p>
2-15 ● Conflicts of interest	<p>More information is included in the Board of Directors section of the Annual Report on pages 92-93.</p>
2-16 ● Communication of critical concerns	<p>The Board maintains a process for communicating critical concerns through the Audit Committee, which reviews the effectiveness of our systems of internal control and risk management and is responsible for overseeing all actions taken relating to whistleblowing activities.</p> <p>The Annual Report sets out the total number of reported breaches during fiscal 24, together with the substantiation rate.</p> <p>More details can be found in the Doing business the right way section of the Annual Report on pages 53-54, and in the Governance section of the Annual Report on pages 87-151. Also see the principal risks table in the Annual Report on pages 77-85.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed






Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Governance

Disclosure	Our response
2-17  Collective knowledge of the highest governance body	<p>The Board's collective knowledge and experience of ESG is enhanced with background reports on various economic and ESG topics that it receives throughout the year. Some of these reports are discussed in detail in Board meetings.</p> <p>Additionally, our ESG Executive Working Group leads discussion of ESG topics and our 'Spirit of Progress' plan, including at our Annual Strategy Conference held during the year, again improving the Board's knowledge and expertise in this area.</p> <p>Further details can be found in the Governance section of the Annual Report on pages 87-151.</p>
2-18  Evaluation of the performance of the highest governance body	<p>We evaluate the performance and effectiveness of the Board, its committees and Directors every year. At least once every three years, the evaluation is carried out externally by an independent professional consultancy.</p> <p>During fiscal 24, the Board undertook an externally facilitated evaluation of its performance and effectiveness. This included interviewing each Director, receiving feedback from senior management and external advisers in relation to how the Board supervises the company's activities, including those in respect of ESG.</p> <p>A summary of the key recommendations and actions for focus for fiscal 24 and fiscal 25 are set out in the Governance section of the Annual Report on pages 87-151, which includes a continued focus on ESG matters.</p>
2-19  Remuneration policies	<p>The Directors' remuneration report in the Annual Report on pages 122-147 includes our remuneration policy. As explained in that report, remuneration is driven by both financial and individual business performance objectives that, in some cases, include ESG as well as financial goals.</p> <p>From 2020, Executive Directors, other members of the Executive Committee and senior leaders throughout the business have been directly incentivised through long-term incentive plans to achieve ESG goals. Please see the Governance section of our Annual Report for more information. We may also include ESG-type measures in the individual business objective element of Executive Committee members' shorter-term annual incentive plans.</p> <p>Omissions: the remuneration policy applicable to all Executive Committee members.</p> <p>Reason: not applicable.</p> <p>Explanation: the remuneration policy covering other members of our Executive Committee is not a required disclosure under the terms of the Corporate Governance Code.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Governance

Disclosure	Our response
2-20 ● Process to determine remuneration	<p>Our Remuneration Committee determines senior- and executive-level remuneration in accordance with the remuneration policy, after taking into account engaging with views of shareholders and reviewing insights from the Chairman's discussions with employees. Key aspects of pay for the Directors are included in the Directors' remuneration report in the Annual Report on pages 122-147. Details of independent third-party advisers, including remuneration consultants, are described on page 127 of the Annual Report.</p> <p>Each year, at the company's Annual General Meeting, shareholders are asked to vote to approve the Directors' remuneration report. The last Directors' remuneration report was approved by 95.51% of votes. The Directors' remuneration policy, which is approved by shareholders at least every three years, was approved by 95.41% of votes in 2023. The governance process can be found on pages 127 in the Annual Report including the statement on voting by our shareholders.</p>
2-21 ● Annual total compensation ratio	<p>We report the remuneration of our highest-paid executives in the Directors' remuneration report in our Annual Report on pages 122-147.</p> <p>Annual total compensation ratio We report the Chief Executive's pay ratio - that is, the total compensation for the Chief Executive versus median total compensation for UK employees - on page 142-144 of the Annual Report.</p> <p>Percentage increase in pay We report the year-on-year change in Directors' salaries, bonuses and benefits relative to the average increase for all employees globally on pages 144. We also report the total amount paid in salaries and benefits to employees on page 174 of the Annual Report.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Strategy policies and practices

Disclosure	Our response
2-22 ● Statement on sustainable development strategy	In our Annual Report on pages 8-11, our Chairman and Chief Executive comment on how our role in society and our ESG strategy support our ambition to be one of the best performing, most trusted and respected consumer products companies in the world.
2-23 ● Policy commitments	<p>Our policy commitments and approach</p> <p>Our Code of Business Conduct sets out what we stand for as a business and how we demonstrate the highest standards of integrity and ethical behaviour. It is guided by our purpose and values. It provides clarity on how we and any contracted business partners representing our business, are expected to behave to build the trust and respect of everyone who interacts with us.</p> <p>Our Code is underpinned by a number of global policies, standards and guidelines covering specific areas of our work. We review these every year to make sure we take account of any changes in our external environment and update them accordingly through Executive Committee approval. They reflect our values and our commitment to doing business the right way – and can be found on our website. Our Code and the majority of our global policies are translated into 19 languages, and are regularly communicated across the business through our Business Integrity programme.</p> <p>The Global Business Integrity team oversees the Global Policy Framework, which lays out the process of developing and revising policies, reviewing and approving them and making them available to everyone at Diageo. This might be through global mandatory training, for example.</p> <p>We take a precautionary approach to our Global Environment Policy, which sets out our obligations and expectations for managing impact on and from, the environment. We describe this in how we are working to reduce emissions in the Pioneer grain-to-glass sustainability section of the Annual Report on pages 61-73.</p> <p>Policy commitment to respect human rights</p> <p>Our Global Human Rights Policy covers a list of internationally recognised human rights and a list of specific at-risk groups that we give particular attention to.</p> <p>The authoritative intergovernmental instruments that we are committed to are referenced within our policies and standards. Our Global Human Rights Policy is informed by the UN Guiding Principles on Business and Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights to Work, the Children’s Rights and Business Principles, the UN Global LGBTI Standards of Conduct for Business, the UN Women’s Empowerment Principles and the UN Global Compact.</p> <p>Due diligence</p> <p>We review and refresh our Code at least every three years and our policies and standards annually. Where deemed necessary, we may update any of these documents throughout the fiscal year. Each Global Policy has assigned to a Global Subject Matter Expert (SME) who is responsible for refreshing the applicable policy or standard each year, prior to distribution. We further strengthen our approach through analysing our breach reporting mechanism, SpeakUp, which is available to both our employees and business partners. Our Risk Management standard ensures we have an effective and fit for purpose risk management framework in place. More details can be found in our Annual Report on pages 77-85.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Strategy policies and practices

Disclosure	Our response
2-24 Embedding policy commitments	<p>Neither compliance nor conducting our business with integrity are negotiable - and our approach to risk and compliance helps us to encourage the right behaviours and attitudes in our people and our contracted business partners, to ensure responsible business conduct in everything we do.</p> <p>In our Code of Business Conduct we set out which policies and standards are relevant for all our employees and allocate responsibility to specific groups for others: for example, employees who work with suppliers are responsible for implementing the commitments of our Partnering with Suppliers Standard; ensuring those representing our business understand and are aligned to our ways of working. We further support our employees to embed our global policies in their work through an annual, risk-based training plan. This includes general awareness for all employees, as well as detailed training for functions managing specific business risks.</p> <p>Our Global Business Integrity team manages the integration of our commitments into organisational strategies, operational policies and procedures through our Global Policy Framework. This framework also sets out how we implement our commitments with and through our business relationships: for example, we expect our suppliers to adhere to and commit to our Partnering with Suppliers Standard, which sets out our minimum expectations on environmental, social and governance criteria.</p> <p>We undertake annual mandatory global training on our Code and key global policies. This includes an integrated Annual Certification of Compliance for all managers and their direct reports, and covers over 24,000 eligible employees of which approximately 23,600 have completed the training. Our Code is available in 19 languages ensuring that employees around the world can access the policy.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Strategy policies and practices

Disclosure	Our response
2-25  Processes to remediate negative impacts	<p>Our ambition to do business the right way means we strive to remediate any negative impacts we have caused or contributed to. We do this through our grievance mechanisms, which provide a framework for dealing with any adverse impacts that arise.</p> <p>Our environmental and social grievance mechanisms</p> <p>Our grievance mechanisms cover a wide range of social and environmental issues such as: impacts on society; human rights; health, safety and wellbeing; harassment and discrimination; and environmental damage and other environmental issues.</p> <p>Our grievance mechanism is our third-party SpeakUp helpline and website, available in multiple languages. These can be accessed by employees and anyone in our value chain, including contractors, suppliers, customers and consumers.</p> <p>For employees, SpeakUp complements, rather than replaces, reporting issues directly to colleagues - line managers, the Legal team, the Human Resources (HR) team or Business Integrity managers. Grievances are investigated independently and where necessary, anonymised to protect those raising the issue.</p> <p>For suppliers, we advertise SpeakUp through our Partnering with Suppliers Standard. They are also encouraged to raise concerns to their most senior Diageo contact, a Diageo lawyer or the market managing director or function head. We also expect our suppliers to apply these principles and processes to their own operations and workers as well as along their supply chains.</p> <p>Environmental grievances are addressed locally and also reviewed quarterly by the relevant functional Risk Management Committees for trends or hotspot areas of focus. Findings are escalated to the Global Governance team to develop mitigations as appropriate.</p> <p>During the reporting year, 10 grievances about environmental impacts were filed. All were addressed, with three being resolved through formal grievance mechanisms. One of these grievances was reported via SpeakUp this year, and was found to be substantiated. This was addressed through coaching and training, without the need for resolution through formal grievance mechanisms. We do not disclose further detail on how each individual grievance is resolved because this may compromise the anonymity of those involved.</p> <p>How we assess the effectiveness of our grievance mechanisms</p> <p>On social grievances, our Global Breach Management Committee meets quarterly to identify key trends and themes and determine whether any interventions or actions are required. We also engage with local judicial or non-judicial grievance mechanisms to address matters when needed. An independent assessment of our Breach Management Standard took place in 2022 to assess its compatibility with the EU Whistleblowing Directive. All relevant adjustments were made to the standard in 2023 and nothing further was required in fiscal 24.</p> <p>This year 35 social grievance-related allegations around health, safety and wellbeing were reported via SpeakUp, of which five were found to be substantiated.</p> <p>These were all internal matters and did not involve any external parties. All matters were reviewed via a final report sent to decision makers. Appropriate remedial activities were undertaken in response including, where necessary, disciplinary action as well as coaching, training and controls and policy reviews. Completion of remediation was tracked via case leaders to ensure completion and all cases are now closed.</p> <p>Regarding incidences of discrimination please refer to section 406-01.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*





Universal standards

GRI 2: General disclosures *continued*

Strategy policies and practices

Disclosure	Our response
	<p>As well as routine tracking and review, we also review assessments through our Third-Party Risk Management programme which assesses supplier risk prior to onboarding. Within our human rights risk domain, we require suppliers to detail how grievances are reported to their management. We are also able to review grievance mechanism effectiveness within our supply chain through non-compliances from the Sedex Members Ethical Trade Audit (SMETA) supplier assessment systems. Our reviews have led us to work more closely with Sedex on SMETA activities and with suppliers to assess and strengthen compliance with labour standards.</p> <p>We are also members of Aim-Progress, the stakeholder initiative on responsible sourcing for Fast-Moving Consumer Goods companies and we use several tools provided through the Grievance Mechanism working group to support our review of grievance mechanism effectiveness. These include the Grievance Mechanism Maturity Framework and self-assessment tool.</p> <p>On environmental grievances, our Environment teams in each market review grievances to consider whether mitigation has been effective and whether grievances have been addressed. The effectiveness of this approach is monitored by:</p> <ul style="list-style-type: none"> • Drawing on internal and/or independent external expertise and feedback. • Conducting meaningful consultation with potentially affected groups and other relevant stakeholders. • Reviewing internal and external audit schedules. • The effectiveness of this approach is managed by reviewing global trends in grievances and grievance mechanisms.
<p>2-26 Mechanisms for seeking advice and raising concerns</p>	<p>Our confidential SpeakUp service is available for people to raise concerns about compliance with the law, our Code of Business Conduct, any of our global policies or standards or any other compliance or ethics matter.</p> <p>Our SpeakUp whistleblowing phone line and web reporting tool can be accessed by all our employees and by those in our value chain, including contractors, suppliers, customers and consumers. Overall statistics and notable matters are reported quarterly to our Executive Committee and our Audit Committee.</p> <p>We do not tolerate reprisals against anyone who reports a concern or helps with an investigation in good faith. Anyone found to be involved in retaliation against an individual who has raised a concern will be subject to disciplinary action.</p> <p>More information is included in the Our principal risks and risk management section and the Governance section of the Annual Report on pages 77-85 and 87-151.</p>

How we have met each disclosure



-  Fully disclosed as outlined by the GRI Sustainability Reporting Standards
-  Partially disclosed and missing at least one required indicator
-  Not disclosed
-  Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Strategy policies and practices

Disclosure	Our response
2-27  Compliance with laws and regulations	<p>Environmental compliance</p> <p>Our approach to water, energy, biodiversity, emissions, and effluents and waste is described in the Environment section of this ESG Reporting Index on pages 32-55 below. These form part of our overall approach to managing our environmental impact and complying with all local laws and regulations, or with our own standards - whichever are higher - at each site. These are set out in our Global Environment Policy and our supporting framework of policies.</p> <p>The President, Global Supply and Procurement & Chief Sustainability Officer is the owner of the Global Environment Policy, and regularly reviews environmental and compliance performance throughout the year. Additionally, our Global Governance function manages quarterly Supply Chain and Procurement Environmental Compliance reports, which include performance reviews and address risks.</p> <p>There were 55 incidents of non-compliance related to environmental regulations, licenses, and permit requirements this year. There were no incidents of non-compliance with environmental consents reported from last year.</p> <p>Socioeconomic compliance</p> <p>There were no charges to exceptional items in respect of non-compliance with social and economic laws and regulations this year. For more information on how we manage socioeconomic compliance, please see GRI 2-23 and 2-24.</p> <p>Omissions: the total number and the monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period.</p> <p>Reason: not applicable.</p> <p>Explanation: we do not report fines that the business does not deem to be material. Materiality is defined</p>
2-28  Membership associations	<p>We have helped establish many social aspects organisations (SAOs) - that is, industry-funded bodies that work with governments, the private sector and NGOs to reduce the harmful use of alcohol. Information on how we work with the International Alliance for Responsible Drinking and a list of our SAOs and trade associations that run responsible drinking initiatives can be found in the Alcohol Policy section of our website.</p> <p>We are proud signatories of a number of initiatives, including UNGC/Science Based Targets initiative, UNGC's Uniting Business and Governments to Recover Better, the Race To Zero, Race to Resilience, the UNGC Government Letter on SDGs in Recovery and RE100. A list of the climate goals and pledges Diageo supports can be found in Carbon Net Zero Strategy on page 16.</p> <p>More information can be found on our website under ESG.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed





Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 2: General disclosures *continued*

Stakeholder engagement

Disclosure	Our response
2-29  Approach to stakeholder engagement	<p>We define our stakeholders as all those who affect, are affected by or could be affected by our business.</p> <p>We engage internal and external stakeholders, including employees, investors, commercial partners, governments, NGOs, local communities and consumers. More information on our stakeholders can be found in the Annual Report on pages 100-107.</p> <p>We actively engage stakeholders at local and global levels. At a local level, employees across our business engage their colleagues, local governments, customers, media and community groups on issues of immediate concern to them. At a global level, we engage investors, customers, suppliers and multinational organisations such as UN agencies and NGOs. Examples of how we engage with stakeholders can be found in the Stakeholder engagement section of our website.</p>
2-30  Collective bargaining agreements	<p>We have a strong commitment to transparent dialogue. In fiscal 24, 44% of our employees were covered by collective bargaining agreements.</p> <p>For employees not covered by collective bargaining agreements, working conditions and terms of employment are not influenced or determined by other collective bargaining agreements.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed






Not considered material to our business at this time

GRI Index *continued*

Universal standards

GRI 3: Material topics

Material topics and their boundaries

Disclosure	Our response
3-1  Process to determine material topics	<p>In 2019, we carried out a rigorous materiality assessment. As a starting point to this process, we identified actual and potential negative and positive impacts that our business activities and relationships have on the economy, environment and people. The assessment examined the external trends shaping our operating environment. It also assessed how we can most effectively align our work and the way we do business with the UN SDGs (Sustainable Development Goals).</p> <p>The assessment showed us the significance of our impacts in terms of severity, scale, scope and likelihood, and it informed how we prioritise the most significant impacts – which we have illustrated in our materiality matrix on page 3 of this ESG Reporting Index. The findings have guided how we have developed our ‘<i>Spirit of Progress</i>’ plan, our reporting priorities and our assurance process.</p> <p>We review materiality on an annual basis, considering stakeholder comments – including those arising from our internal subject-matter experts – Corporate Relations activity, financial analysis and external developments such as the UN SDGs, the Paris Climate Agreement, other external initiatives and events.</p> <p>Looking forward By 2026, we will be expected to report under the European Union’s Corporate Sustainability Reporting Directive (CSRD). We are undertaking the double materiality assessment, the results of which will be reported on in advance of required reporting in fiscal 26.</p>
3-2  List of material topics	<p>Our materiality assessment under GRI informed our ‘<i>Spirit of Progress</i>’ plan and helped us to define our reporting scope. Our analysis confirmed the importance of several key themes: promoting positive drinking by encouraging moderation and tackling the harmful use of alcohol; championing water stewardship and decarbonisation as part of pioneering sustainability from grain-to-glass; and championing inclusion and diversity, within our business, with our suppliers and partners and in the communities where we live, work, source and sell. Those risks considered most material from a financial and non-financial perspective are included in our Annual Report on pages 77-85. We continue to highlight climate-related risks within the Our principal risks and risk management section of our Annual Report: see page 77 for more information.</p> <p>The following GRI aspects are material to our supply sites: procurement practices, materials, energy, water and effluents, biodiversity, emissions, waste, supplier environmental assessment, environmental grievance mechanisms, occupational health and safety, supplier social and environmental assessment, diversity and equal opportunity and human rights assessment. The remaining additional aspects are material – except for indigenous rights, which did not come up as material through our stakeholder study. There have not been any significant changes to our list of material topics and topic boundaries since the previous reporting period. We took a value-chain approach to our materiality matrix, so the issues that we identified as material are also material to our suppliers and other business partners.</p>
3-3  Management of material topics	<p>To make this index easier to understand, we have described our management of material topics (GRI 3-3) alongside the relevant indicators.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed








Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic

Economic performance

Disclosure	Our response
3-3  Our management approach to economic performance	<p>Our relationships with suppliers, investors, lenders, governments, employees and local community stakeholders have direct economic and social impacts, which we measure, evaluate and manage.</p> <p>Our Annual Report explains how we manage financial performance and includes financial performance measures. Each market and function is responsible for monitoring and reporting economic performance against annual plans and targets. That allows us to report on overall performance against our strategy.</p> <p>The Board, the Executive Committee and management teams at market and function level review economic performance at each of their meetings, tracking performance measures and annual operating plans. Details of financial performance measures are included in the Annual Report.</p> <p>Where necessary, we develop or adapt our activities to improve performance against our targets or in response to external factors.</p>
201-01  Direct economic value generated and distributed	<p>For information, please see Diageo's Annual Report: page 161 for revenue, page 174 for operating costs, page 174 for employee salaries and benefits and page 165 for payment to providers of capital.</p> <p>This year we paid \$9.4 billion in taxes, including all cash tax paid by the company, excluding \$1.5 billion of VAT.</p> <p>Community investments were \$28.9 million.</p> <p>Omissions: direct economic value by local market.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: we do not currently disaggregate direct economic value by local market.</p>
201-02  Financial implications and other risks and opportunities due to climate change	<p>Information can be found in the Annual Report on pages 61-67.</p>
201-03  Defined benefit plan obligations and other retirement plans	<p>For information, see page 189 of the Financial Statements in the Annual Report.</p> <p>Omissions: the number of employees included in the schemes or the percentage of salary contributed by employer and employee.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: this information is not readily available, except in our larger markets such as the United Kingdom, Ireland and North America.</p>
201-04  Financial assistance received from government	<p>We are a publicly listed company and not part-owned by any government.</p> <p>Tax credits are included on page 177-178 and government grants on pages 187 in the Annual Report.</p> <p>Omissions: information broken down by country.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: this information is not broken down by country.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed






Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Market presence

Disclosure	Our response
3-3  Our management approach to market presence	<p>We operate as a market-based business and sell products in nearly 180 countries. Each of our markets is accountable for its own performance and for driving growth.</p> <p>As we develop our overall strategy, we review our market presence, as described in our Annual Report. This process considers issues such as the scale of our activity in markets, our presence in existing or potential product sectors and geographies, and the relative risks and opportunities involved. Our market presence is routinely reported to the Executive Committee and the Board.</p> <p>For more details, see the Business review section of the Annual Report on pages 32-44.</p>
202-01  Ratios of standard entry level wage by gender compared to local minimum wage	<p>Omissions: ratios of standard entry-level wage by gender compared with local minimum wage.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: We comply with all local legislation in relation to minimum wages in all the countries we operate in. We don't currently collect data in relation to this indicator at a global level.</p>
202-02  Proportion of senior management hired from the local community	<p>Diageo is committed to inclusion and diversity and the ongoing development of our people. We continue to enhance our positive market presence and deepen our understanding of local needs by appointing employees from the local community into senior management roles, while providing international experiences for our people to develop further.</p> <p>In fiscal 24, 69% of the senior management appointments were from the local community. We will continue to maintain a balance between local community hires and international appointments into senior management roles to support our positive market presence, talent development and diversity and inclusion.</p> <p>Definitions: 'Senior management' refers to those in top leadership positions (L3+), excluding Executive Committee positions in Diageo.</p> <p>'The 'local community'' refers to an employee who is a citizen, national, or holds residency rights to reside indefinitely.</p> <p>We consider all our locations significant when hiring from local communities.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed





Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Indirect economic impacts

Disclosure	Our response
3-3  Our management approach to indirect economic impacts	<p>As a global business operating in numerous locations, we have many indirect economic impacts on the communities we operate in.</p> <p>Our 'Spirit of Progress' plan has been developed to address our most material issues, including how we support sustainable social and economic growth in those communities. Our business and hospitality skills training programmes, for example, aim to increase employability, improve livelihoods and support a thriving hospitality sector that works for all.</p> <p>We review indirect economic impacts as part of strategy development and risk management and we report them to the Executive Committee and the Board of Directors. For more information about our strategy and indirect economic impacts, see the Our growth ambition and Our performance sections of our Annual Report on pages 14-27.</p> <p>For more information about how we monitor and evaluate the impact of our programmes, see GRI 413-01 and the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index.</p>
203-01  Infrastructure investments and services supported	<p>Examples of significant infrastructure and services supported can be found in the ESG section of our website and in the 'Spirit of Progress' section of the Annual Report on pages 48-74.</p> <p>We do not differentiate between commercial and environmental investments. Infrastructure investments will always have a commercial rationale to them and as part of our strategic decision-making process we also consider the sustainability of our business operations.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Indirect economic impacts

Disclosure

Our response

203-02 Significant indirect economic impacts



There are a diverse array of indirect economic impacts associated with our business relationships and our community investment programmes. We developed our 'Spirit of Progress' plan knowing that the way we do business influences the distribution of economic impacts on specific groups.

In fiscal 24, we invested \$28.9 million or 0.5% of operating profit in programmes to support the communities where we live, work, source and sell. This community investment data includes specific voluntary engagement with charitable organisations or activities that extend beyond our core business activities. It does not include any investment towards our programmes that drives direct commercial benefit for the company or is legally required.

Community investment by focus area

Focus area	Investment (\$ million)	Percentage (%)
Positive drinking	9.7	34
Inclusion and diversity	10.4	36
Grain-to-glass sustainability	8.1	28
Local and brand-led	0.7	3
Total	28.9	

Community investment by region

Region	Investment (\$ million)	Percentage (%)
North America	3.6	12
Europe	5.9	20
Asia Pacific	5.1	18
Latin America and Caribbean	7.0	24
Africa	4.5	16
Corporate	2.9	10
Total	28.9	

For more information about the impact of our community investment, and how we contribute to local economic development, see the Champion inclusion and diversity and Pioneer grain-to-glass sustainability sections of our Annual Report on pages 59-72 and our [website](#).

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Procurement practices

Disclosure	Our response
3-3  Our management approach to procurement practices	<p>As a multinational company, Diageo is connected to a large and varied group of suppliers. We can therefore seek to influence supplier behaviour and create positive social and environmental change through our procurement practices - who we choose to partner with and how we partner with them. Due to the complexity of our supply chain, there are also risks related to our suppliers' social and environmental impacts which we need to manage.</p> <p>We select our suppliers based on their ability to deliver services and materials effectively and in a timely fashion, as set out in our Partnering with Suppliers Standard. We expect them to adopt clear commitments and minimum standards on ethical business, human rights and health and safety, as set out in our Code of Business Conduct. We also expect suppliers to share the priorities within our 'Spirit of Progress' plan.</p> <p>We evaluate suppliers against various risk processes, such as business continuity and financial risk. These include the risk of bribery and corruption, which we manage through our One Trust assessment, which considers operating, market and sector risks, and which incorporates feedback from our internal reviews and assessments.</p> <p>Procurement teams review each supplier's ongoing performance against contract and service levels. We assess our suppliers' adherence to specific requirements on issues such as labour and human rights.</p> <p>Our Internal Audit and Global Business Integrity teams audit our procurement practices. From these audits, we produce a report for functional management and relevant Executive Committee members, which includes remedial actions and recommendations.</p> <p>We work extensively with our suppliers to help them manage social and environmental risks and promote positive impact. We have used the CDP Supply Chain and Water Security programmes, through which we engage key suppliers on measuring and managing their carbon emissions and water-related impacts.</p> <p>Diageo has a role to play in supporting minority-owned and disadvantaged businesses. Our supplier diversity programme is intended to create opportunities for growth and innovation alongside the advancement of sustainable economic impact in the diverse communities where we source, make and sell. We continue our collaboration with advocacy organisations like WEConnect International, MSDUK, Disability:IN, and others, to integrate diverse-owned and disadvantaged businesses into our network. With an ambition to increase spend with diverse-owned and disadvantaged businesses each year to 2030, in fiscal 24, we spent \$883 million with diverse-owned and disadvantaged suppliers, an increase of 18% compared to fiscal 23. For more information see Reporting boundaries and methodologies on pages 94-116.</p> <p>During the year we launched an accelerator development programme focused on sustainability. The programme, delivered with our partners, provides environmental skills and practices to support diverse businesses' resiliency in global value chains. 55% of the first cohort of graduates from the programme were from women-owned businesses.</p> <p>We also recognise that broader positive impact can be achieved by collaborating with our suppliers and partners. That's why we have now expanded our supplier diversity focus to our Tier 2 suppliers globally. This expansion empowers our suppliers to accelerate inclusion and diversity in their own value chains.</p> <p>Alongside being recognised for our commitments to supplier diversity, we also celebrate the successes of our diverse suppliers, who contribute value to our bottom line, our consumers and our communities. In the year, we saw a business owned by women in Africa helping our brewers replace heavy oil fuels with biomass fuelled by non-conventional materials, enabling a reduction in our carbon footprint. We also saw a minority-owned business in Europe create a unique retail space which drove consumer enthusiasm for our brands beyond that which is normally experienced.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Procurement practices

Disclosure	Our response
204-01 Proportion of spending on local suppliers	<p>We estimate that on average more than 92% of our raw materials volume is dedicated to 'in-country' suppliers for our sites of significant operation in the following locations: India, Ireland, Mexico, Türkiye, the United Kingdom and the United States. For our sites in Africa, on average more than 90% of agriculture raw material volume in our operations came from suppliers based in Africa during fiscal 24.</p> <p>We consider operations significant where they contribute towards 90% of Diageo's total expenditure on procured raw materials. A 'local' supplier is defined as one that operates within the same country as our operations, except in Africa, where 'local' refers to suppliers located within the same region.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Anti-corruption

Disclosure	Our response
3-3  Our management approach to anti-corruption	<p>Diageo does not tolerate any form of corruption and has implemented extensive policies and procedures to counter corruption risks. In addition to the principles of our Code of Business Conduct, we have an internal Countering Corruption Global Policy. Its core principles are applied to all our operations and personnel. Routine training is undertaken throughout the business, as is specialised training for specific employee groups in higher-risk locations and functions. We drive adherence to the policy through our global and local management and within routine business operations – and we review this adherence during assessments carried out by internal assessors.</p> <p>Our Global Business Integrity team monitors compliance with our Code, including our internal anti-corruption principles. Our Global Audit and Risk team regularly audits our markets, which includes auditing their compliance procedures. The team specifies any required improvements, along with a mandatory completion date.</p> <p>The Global Business Integrity team checks that all necessary personnel have completed their Code training and reports results to the Executive Committee and the Audit Committee of the Board.</p> <p>More details can be found in the Doing business the right way section of our Annual Report on pages 53-54.</p>
205-01  Operations assessed for risks related to corruption	<p>Markets are expected to carry out a legal and compliance risk assessment each year, which includes a risk assessment for bribery and corruption and develop mitigation plans for their most significant risks.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Anti-corruption

Disclosure

Our response

205-02



Communication and training about anti-corruption policies and procedures

Governance body

The members of Diageo's Board of Directors and the Executive Committee are provided with a copy of our [Code of Business Conduct](#) on appointment, which contains a section on anti-bribery. All members of the Board are aware of Diageo's anti-bribery policies and procedures through their roles in risk management and as part of the Audit Committee. Additionally, the Executive Committee is required to complete an annual Code eLearning, prior to completing an Annual Certification of Compliance (ACC), attesting to their compliance with the anti-corruption provisions of Diageo's Code.

Employees

Within 30 days of joining, all new Diageo group employees are required to complete training on Diageo's Code. The training covers Diageo's anti-corruption policies and procedures. All employees at manager level and above, and employees in certain non-manager roles, are required to complete an ACC. By completing the ACC, employees are confirming that they have read and understood the Code and our policy on anti-corruption.

All employees are required to undergo re-training of the Code on an annual basis.

Our compliance programme uses a risk-based approach to identify where we should focus our anti-corruption communication and training. This approach considers the external context, geographic and functional risks and the output of our own reviews, including input from SpeakUp data. An example of our anti-corruption procedures is our third-party supplier due diligence programme, Know Your Business Partner (KYBP), which was refreshed at the end of 2021, in line with our external risk landscape.

The table below shows the percentage of employees who have completed their annual training on the Code for fiscal 24.

Region	Percentage of employees trained (%)
Africa	97
APAC	100
D&T	100
Europe	99
Global Functions	97
India	99
Latin America	98
North America	99
Global Supply & Procurement	93
Global overall	97

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Anti-corruption

Disclosure	Our response
	<p>The Global Business Integrity team also conducts training on Diageo's specific anti-corruption compliance policy, which is cascaded throughout the markets and across the business units.</p> <p>Suppliers When we enter into a contract with suppliers, they receive our Partnering with Suppliers Standard, which contains a section relating to adherence to laws and regulations, including bribery and corruption laws. The standard states that our suppliers must have a zero-tolerance approach to bribery and corruption in any form and that we expect our suppliers to adhere to all applicable laws.</p>
205-03 Confirmed incidents of corruption and actions taken	<p>Diageo has a zero-tolerance approach to bribery and corruption. Allegations of corruption are investigated and we disclose details of such matters to the extent that it is required as part of our contingent liability disclosure in the Annual Report. For the avoidance of doubt, this does not include details of all investigations or penalties (if relevant) that may occur.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed





Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Anti-competitive behaviour

Disclosure	Our response
3-3  Our management approach to anti-competitive behaviour	<p>We have an internal Competition and Anti-trust Global Policy, which is included in our Code of Business Conduct and in our Code training programme. We monitor adherence by reviewing emerging issues and outcomes from SpeakUp and by routinely assessing business functions through our internal reviews.</p> <p>Our Global Business Integrity team monitors compliance with our Code, which includes our internal competition and anti-trust principles.</p> <p>Our Procurement teams are routinely trained in anti-trust compliance and a set of guidelines has been created to provide specific anti-trust guidance on sustainability conversations involving competitors.</p> <p>For more information on how we evaluate our approach to compliance issues, including anti-competitive behaviour, see GRI 3-3 Anti-corruption in this ESG Reporting Index.</p> <p>More details can be found in the Annual Report in note 19 on page 210.</p>
206-01  Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	<p>Each of our markets is required to carry out an annual legal compliance risk assessment, considering anti-competitive behaviour, anti-trust and monopoly practices and to develop mitigation plans for their most significant risks.</p> <p>Omissions: any non-public incidents are not reported.</p> <p>Reason: confidentiality constraints.</p> <p>Explanation: we disclose details of such matters to the extent that it is required as part of our contingent liability disclosure in our Annual Report (note 19 on page 210).</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed








Not considered material to our business at this time

GRI Index *continued*

Topic standards

Economic *continued*

Tax

Disclosure	Our response
3-3  Our management approach to tax	<p>We pay tax in accordance with all relevant laws and regulations in the countries where we do business.</p> <p>Our approach to tax seeks to enable and support our ambition and business strategy, as well as balance the various interests of our stakeholders, including investors, governments, our people, customers, consumers, suppliers and the communities in which we operate.</p> <p>Our approach to tax, including our commitments, core principles and governance mechanisms, is described in detail in our global Tax Policy.</p> <p>The Board of Directors approves our Tax Policy and tax strategy, and monitors compliance each year through the Audit Committee – and, as appropriate, on an ad hoc basis. It delegates the authority to execute against this policy framework to the Finance Committee.</p> <p>The Finance Committee, made up of senior management with relevant expertise (including the Chief Executive and the Chief Financial Officer), is the supervisory body for all group tax activities. This Committee reviews relevant developments on issues covered by our policy three times a year, and as appropriate, on an ad hoc basis.</p> <p>For more information about our tax governance and how we evaluate our approach, see page 5 of our Tax Policy.</p>
207-01  Approach to tax	Information about our tax strategy, our approach to regulatory compliance and how our approach to tax links to our business strategy can be found in our Tax Policy on pages 3-5.
207-02  Tax governance, control, and risk management	<p>Information about our tax governance, risk management and compliance can be found in our Tax Policy on pages 3-5. A description of the mechanisms for reporting concerns about unethical or unlawful behaviour and our integrity in relation to tax can be found on page 5 of the policy too, as well as in our Code of Business Conduct and within GRI 2-26 of this ESG Reporting Index.</p> <p>A description of our assurance process can be found in GRI 2-5 of this ESG Reporting Index.</p>
207-03  Stakeholder engagement and management of concerns related to tax	A description of our approach to engaging with tax authorities and our public policy advocacy on tax can be found in our Tax Policy . Our approach to tax seeks to enable and support our ambition and business strategy, as well as balance the various interests of our stakeholders.
207-04  Country-by-country reporting	<p>Omissions: country-by-country reporting.</p> <p>Reason: not applicable.</p> <p>Explanation: a breakdown of corporate tax information by jurisdiction is not included. In line with OECD guidelines, we submit annually a country-by-country report for the group to the UK tax authorities. The UK tax authorities share our information with other jurisdictions' tax authorities, where these authorities have agreed to the OECD's guidelines.</p> <p>We are engaging constructively to support measures to put the taxation of international companies on a clear, fair and consistent basis.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental

Materials

Disclosure

Our response

3-3



Our management approach to materials

The materials we use are largely categorised as agricultural raw materials and packaging. The production, use and disposal of these materials contribute to greenhouse gas emissions, water consumption and other environmental impacts, including waste creation. Most of these impacts occur within our supply chain.

For further information, see:

- **Our website:** For information on our management approach to materials, see the Become sustainable by design and Responsible sourcing pages of our website.
- **Our reports:** For information on our targets relating to packaging and raw materials, see the Pioneer grain-to-glass sustainability section of our Annual Report on pages 71-72. For more information about how we measure and report on our targets, see the Reporting boundaries and methodologies section of this ESG Reporting Index, on pages 94-116.
- **Our policies and standards:** For information on our strategies on packaging and agricultural raw materials, see our Reinventing Packaging Policy and Sustainable Agriculture Guidelines.

Our Supply and Procurement teams assess the impacts of sourcing materials, review supplier management processes and collect data on all materials purchased. This data is used to evaluate our progress against set targets.

Packaging

As part of our 'Spirit of Progress' ambitions to reduce our environmental impact, we prioritise reducing packaging weight, increasing recycled content and removing secondary and single use packaging. We also continue to expand circular solutions where possible.

Access to quality post-consumer cullet and recycled PET continues to present a significant challenge in achieving our targets. We are working across sectors as well as with local authorities and trade bodies, to improve and strengthen end of life recycling infrastructure in key markets, to increase the return of packaging to our suppliers and to improve recycling rates and circularity.

Agricultural raw materials

Our vision, outlined in our Sustainable Agriculture Guidelines, aims to make our agricultural supply chains economically, socially and environmentally sustainable and resilient. We are collaborating with our suppliers and partners to improve farm management practices across our supply chain and promote regenerative agriculture practices. Last year, in partnership with Metabolic, we conducted a nature impact assessment across our priority raw materials to deepen our understanding across each sourcing context. We used the results of this assessment to inform our roadmap and coalition-building efforts in a localised way. For example, in Mexico, where we currently source agave, we launched a new regenerative agriculture programme, actively engaging with agave suppliers.

We work with industry groups on regenerative agriculture frameworks and to develop protocols on the measurement, reporting and verification of the impact of our programmes. As members of the One Planet for Business Biodiversity coalition, we engage in regional landscape strategies and outcome-based approaches. Our efforts include improving traceability of raw materials, tracking materials covered by sustainability standards and certifications, committing to sourcing local raw materials and supporting smallholder farmers with skills, training and sustainable farming techniques.

Our performance in meeting our 'Spirit of Progress' targets is reported internally every quarter and reviewed at market, regional and global level by stakeholders throughout the business, including our Executive Committee and the 2030 Grain-to-Glass Strategic Business Review team.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Materials

Disclosure

Our response

301-01

**Materials used by weight
or volume**


In fiscal 24, we used approximately 1.6 million tonnes of agricultural raw materials such as barley, wheat and maize, and approximately 1.4 million tonnes of packaging.

Materials used by weight

(Total - 3.5 million tonnes)

Materials used	Weight (tonnes)	Percentage (%)
Non-renewable material used	1,363,955	39.0
Renewable material used	2,174,564	61.0

Global raw materials¹ by weight

(Total - 1.6 million tonnes)

Raw material ²	Weight (tonnes)	Percentage (%)
Barley ³	524,431	32.7
Agave	173,251	10.8
Maize	156,754	9.8
Molasses	150,654	9.4
Wheat	211,852	13.2
Grapes & raisins	114,505	7.1
Sugar	72,234	4.5
Sorghum	97,653	6.1
Broken rice	37,296	2.3
Rye	26,519	1.7
Dairy	19,150	1.2
Others	18,928	1.2

1. Figure breakdown represents raw materials we buy directly, and excludes raw materials used to make the spirits we purchase.

2. Excludes processed chemicals.

3. Includes malted barley.

Global packaging materials¹ by weight

(Total - 1.4 million tonnes)

Packaging material	Weight (tonnes)	Percentage (%)
Glass	1,125,885	82.7
Corrugate	56,900	4.2
Cartons	62,469	4.6
Closures and crowns	27,652	2.0
PET	22,072	1.6
Cans	27,356	2.0
Other (beverage cartons, labels, sleeves, bags and sachets)	38,855	2.9

1. Excludes promotional materials.

Omission: complete information on purchased semi-manufactured materials by weight

Reason for omission: information not complete/available

Explanation: Due the limited data availability we do not provide the complete list on total weight of materials that are used to produce and package our products during the period, in particular, our purchase of grain neutral spirit (GNS)

How we have met
each disclosure



Fully disclosed as outlined
by the GRI Sustainability
Reporting Standards



Partially disclosed and
missing at least one
required indicator



Not disclosed



Not considered material
to our business
at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Materials

Disclosure

Our response

301-02 **Recycled input materials used**



In fiscal 24, 42% of the materials used in our packaging were recycled input materials. Refer to the Annual Report for further discussion.

In fiscal 20, we also set an ambition to reach 40% recycled content in our plastic bottles by 2025. Our recycled content in plastic bottles has increased from 7% (fiscal 23) to 22% (fiscal 24) against our 2025 ambition. We initially set our ambition at 40%; and based on latest procurement projections, we have adjusted our ambition for fiscal 25 target to 35%. Whilst we have made significant progress in North America and Europe, the anticipated changes planned for India were delayed by a change in legislation that impacted access to quality, food grade, recycled plastic. This created a risk to the delivery of the fiscal target. We are working collaboratively, both internally and externally, to move to recycled plastic inclusion across our largest portfolios but, in some markets, this has been slower than anticipated.

While we have reduced our near-term target, we are also committing to increase the recycled plastic in our plastic packaging each year to 2030.

301-03 **Reclaimed products and their packaging materials**



Recovery rates and recycling rates for packaging categories¹

Market	Recovery rate %	Recycling rate %
Australia	50.0	56.0
Brazil	36.0	No published data
Germany	80.0	75.0
Great Britain	68.0	63.0
Greece	60.0	60.0
Italy	65.0	70.0
Kenya	No published data	No published data
Nigeria	20.0	No published data
North America	61.0	54.0
Republic of Ireland	58.0	33.0
Singapore	No published data	No published data
South Africa	57.0	10.0
South Korea	No published data	59.5
Spain	70.0	72.0
Venezuela	No published data	No published data

1. Primary packaging categories include glass, aluminium, paper and board.

Omissions: percentage of Diageo reclaimed products and their packaging materials for each product category.

Reason: information unavailable/incomplete.

Explanation: data source is market recovery rates. This is industry standard as materials are reclaimed via public infrastructure.

In fiscal 24, 98% of our packaging is recyclable (or reusable/compostable), against our target of 100% by 2030. For the recyclability of our plastic packaging, we continue to monitor our performance against this ambition. However, given progress made to date, we are refocusing our efforts on ensuring 100% of our packaging, including plastic, is recyclable by 2030.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Energy

Disclosure	Our response
3-3  Our management approach to energy	<p>Climate change is presenting increasingly severe physical impacts worldwide. Driven predominantly by the combustion of fossil fuels to generate energy, efforts to curb greenhouse gas emissions through regulatory and policy changes raise the price of non-renewable energy in order to drive lower consumption and a move to a low-carbon world. Our 'Spirit of Progress' plan includes several ambitions that aim to cut our carbon emissions, including our ambition for 100% renewable energy use across our direct operations by 2030.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our website: For information on our approach to energy, as part of our 'Spirit of Progress' plan, please see the Accelerate to a low-carbon world page of our website. • Our reports: See the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information about how we measure and report on our energy-related targets. • Our policies and standards: See our Net Zero Carbon Strategy and our Global Environment Policy for information on our strategy for energy and emissions. <p>Our approach to energy is based on four main activities:</p> <ol style="list-style-type: none"> 1. Reducing energy consumption and increasing our energy efficiency 2. Recovering and reusing energy 3. Converting energy sources to renewables – both electricity and fuel/heat 4. Minimising energy use across our supply chain. <p>We are investing in renewable energy solutions across our direct operations (e.g. on-site solar PV, biomass combustion plants), while also identifying ways to optimise our energy use (e.g. heat recovery and reuse in our breweries and distilleries). Reducing our reliance on fossil fuels and making our operations more efficient are the most impactful levers to decarbonise our sites and operate in a more resource-efficient way. We are working towards our 2030 ambition of 100% renewable energy use across our direct operations, through our continued efforts to generate and source renewable electricity, alongside our direct and indirect fuel switching activities to enable renewable fuel and heat.</p> <p>In addition to our 'Spirit of Progress' renewable ambition, we have set an additional ambition specific to electricity usage with RE100. Our near-term ambition is to source 50% of our electricity from renewable sources by 2025 and 100% of our electricity from renewable sources by 2030.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Energy

Disclosure

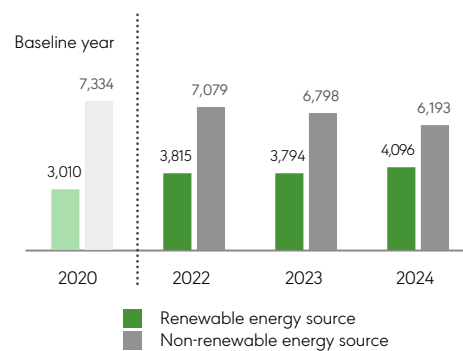
Our response

302-01 Energy consumption within the organisation



We report three years of renewable and non-renewable direct energy consumption, with our baseline year being 2020. This includes both energy generated and used on site and energy supplied to our facilities.

Renewable and non-renewable direct energy consumption (TJ)^{1,2,3}



1. Direct energy consumption refers to energy sources that we own or control and generate Scope 1 emissions.
 2. Direct renewable energy sources are comprised of biomass, biogas, biofuel and renewable gas through grid. Direct non-renewable energy sources are comprised of natural gas, LPG, gas oil and other liquid fuels.
 3. 2020 baseline data, and data for the periods ended 30 June 2022 and 30 June 2023, have been restated.
- Δ Fiscal 24 total direct energy consumption, renewable and non-renewable 10,289 TJ, is within PricewaterhouseCoopers LLP's (PwC's) independent limited assurance scope - see pages 118-121 of this ESG Reporting Index. For Reporting boundaries and methodologies, see pages 94-116.

Indirect (grid electricity) 2,155 TJ accounted for 17.3% of total energy consumption 12,453 TJ in fiscal 24.

Our total renewable energy use as a percentage of total energy consumption was 50.3% in fiscal 24, a 5.7% increase on fiscal 23. The improvement in renewable energy performance has been driven by increased biomass, biofuel and biogas use primarily across Africa, tequila and scotch markets.

Renewable electricity use as a percentage of total electricity consumed was 93.7% in fiscal 24, a 7.0% increase on fiscal 23 largely driven by additional renewable electricity use in North America. We are on track to meet our 2025 RE100 interim target commitment.

Omissions: breakdown of energy consumption (or energy sold) by heating, cooling and steam.

Reason: information unavailable/incomplete.

Explanation: the breakdown of energy consumption or energy sold by heating, cooling and steam is not included here as this level of detail is unavailable given the inherent complexity of heat recovery systems. Sold electricity is not subtracted from energy or emissions for consistency, as directed by the GHG Protocol.

302-02 Energy consumption outside of the organisation



Purchased goods and services, capital goods, transport and distribution of our brands by third-party logistics providers and the use of chilling and refrigeration equipment by our retail customers to store and display products are among the most significant areas of energy consumption outside our direct use. This year, total energy consumption outside the organisation is determined to be 30,471,037 gigajoules (GJ). Packaging materials account for 14.9 million GJ, raw materials for 6.9 million GJ, transport and distribution for 9,174 GJ, and chilling and refrigeration equipment for 216,656 GJ.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Energy

Disclosure

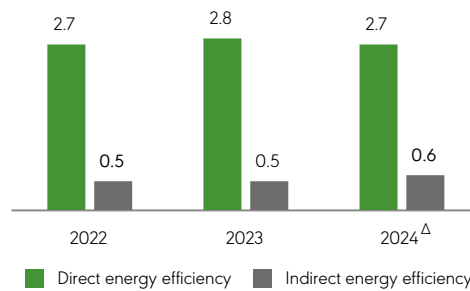
Our response

302-03 Energy intensity

Here we report direct and indirect energy efficiency for the past three years.



Direct and indirect energy efficiency (MJ/litre packaged)^{1,2,3,4}



1. Direct and indirect energy sources refer to those that generate Scope 1 (direct) and Scope 2 (indirect) emissions.
 2. Data for the periods ended 30 June 2022 and 30 June 2023 have been restated.
 3. Energy included was used for fuel (direct), electricity, heating, cooling and steam (indirect).
 4. For fiscal 24, the total volume packaged used for the denominator in intensity indicators is 3,742,841,969 litres.
- Δ Fiscal 24 total direct and indirect energy efficiency (MJ/litre packaged), direct and indirect energy efficiency (MJ/litre packaged) is within PricewaterhouseCoopers LLP's (PwC's) independent limited assurance scope - see pages 118-121 of this ESG Reporting Index. For Reporting boundaries and methodologies, see pages 94-116.

302-04 Reduction of energy consumption

This year, energy consumption from fuel, electricity, heating, cooling and steam decreased by 1.3% compared to fiscal 23. Direct energy efficiency gains in East Africa and India coupled with lower distilled volumes in tequila and packaged and brewed volumes in Nigeria are the main drivers for lower energy consumption. We have ongoing energy efficiency initiatives designed to decouple and minimise the impact of production volume increases from energy consumption.

Reporting boundaries and methodologies for energy consumption can be found on pages 94-116 of this ESG Reporting Index.

302-05 Reductions in energy requirements of products and services

Energy requirements of products and services are not deemed relevant, given that carbon emissions from this energy use do not meet the relevancy criteria stipulated by the WRI Scope 3 Reporting Standard. Specifically, these emissions do not contribute significantly to our overall Scope 3 footprint, nor do they contribute to our business-wide risk exposure.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Water and effluents

Disclosure	Our response
3-3  Our management approach to water and effluents	<p>Water is an essential ingredient in all our brands and a precious shared resource that is under increasing pressure in many parts of the world. A lack of access to clean water can affect the health of communities, their livelihoods and their ability to grow crops.</p> <p>Many of our operations are water intensive and many of our suppliers – particularly of agricultural commodities – depend upon sufficient water.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our website: For information on our management approach to water, see the Preserve water for life pages of our website. • Our reports: For information about the actual and potential impacts of our business operations on water and effluents on the economy, environment and society and information on our progress against our water-related targets see the Pioneer grain-to-glass sustainability section of our Annual Report on pages 67-68. For information on how we measure and report on our water-related targets, see Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index. • Our policies and standards: For information about our strategy and management approach to water and effluents, see our Preserve water for life strategy and our Global Environment Policy. <p>As part of our ‘Spirit of Progress’ plan, our Preserve water for life strategy defines our strategic approach to water stewardship. This strategy is made up of four key pillars:</p> <ol style="list-style-type: none"> 1. Water in our operations 2. Water in our supply chains 3. Water in our communities 4. Water advocacy <p>As part of our Global Environment Policy, we strive to:</p> <ul style="list-style-type: none"> • Comply with regulations on water use and discharge, or follow Diageo standards where no regulations exist. • Use water quality indicators to monitor our performance. • Implement locally appropriate solutions for wastewater management, including water recycling when feasible. <p>An important part of our approach is to provide access to clean water, sanitation and hygiene (WASH) in water-stressed communities near our sites and in water-stressed areas that supply our raw materials. From fiscal 24, we have maintained our commitment investing in 23 WASH projects in nine countries and bringing safe water and sanitation to 128,000 people. We continued to make our WASH programmes more sustainable in the face of climate impacts and more inclusive of women and other underrepresented groups. For more information about this, see the section on Champion inclusion and diversity in the Annual Report on pages 59-60.</p> <p>To better measure the effectiveness of our WASH programmes, this year we partnered with WASH4WORK, a multi-stakeholder initiative hosted by the United Nations Global Compact’s CEO Water Mandate, to create a standardised accounting framework for WASH. The framework, piloted in three countries, proposes to strengthen the business case for WASH investments by measuring both the environmental and social benefits of WASH. This new framework helps us better understand and communicate the value of our investments in WASH initiatives.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed






Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Water and effluents

Disclosure	Our response																																										
303-01  Interactions with water as a shared resource	<p>We are a beverage company; water is an essential ingredient for all of our brands and is used throughout our value chain. Water is needed to grow our raw materials and manufacture our products.</p> <p>We carry out a detailed, data-driven assessment of our impacts and dependencies on water throughout our supply chain. We assess the water used in our products together with water used to grow our raw materials and conduct source-vulnerability assessments in selected watersheds.</p> <p>We undertake regular water assessments for brands and with suppliers. We conduct our own site water risk assessments every two years; we have a range of approaches to support these assessments, including lifecycle analysis, environmental footprinting, the WRI Aqueduct tool and our own internal risk assessment process.</p> <p>For more information about how we address water-related impacts, our water-related targets to be met by 2030 and how we work with our stakeholders - including suppliers, consumers, local communities, governments and regulatory groups - see GRI 3-3 on this page.</p>																																										
303-02  Management of water discharge-related impacts	<p>We aim to return all wastewater from our operations safely to the environment. Our internal standards set rigorous criteria for wastewater discharge to ensure we meet or exceed local and national regulations. We strive to maximise circularity wherever possible. The criteria for wastewater discharge include temperature, pH, total suspended solids, nitrates, phosphates and chemical oxygen demand and/or biological oxygen demand (BOD) - key parameters in determining the pollution potential and oxidisable organic matter present in the discharged water. We apply our global wastewater standard across all sites, including locations where local discharge parameters do not exist or are in development.</p> <p>Omission: the profile of the receiving waterbody.</p> <p>Reason: we are not disclosing every local/internal assessment we take on operational sites, since it can vary based on different parameters.</p> <p>Explanation: mandatory regulatory requirements are fulfilled in every operational site regarding the profile of the receiving waterbody.</p>																																										
303-03  Water withdrawal	<table border="1"> <thead> <tr> <th></th> <th>All sites (ML)</th> <th>Sites in water stressed areas (ML)</th> </tr> </thead> <tbody> <tr> <td>Water withdrawal by source</td> <td></td> <td></td> </tr> <tr> <td>Surface water</td> <td>1,615^Δ</td> <td>791</td> </tr> <tr> <td>- Freshwater¹</td> <td>0</td> <td>0</td> </tr> <tr> <td>- Other water¹</td> <td>0</td> <td>0</td> </tr> <tr> <td>Ground water</td> <td>5,124^Δ</td> <td>1,346</td> </tr> <tr> <td>- Freshwater¹</td> <td>0</td> <td>0</td> </tr> <tr> <td>- Other water¹</td> <td>0</td> <td>0</td> </tr> <tr> <td>Seawater</td> <td>0</td> <td>0</td> </tr> <tr> <td>Produced water</td> <td>0</td> <td>0</td> </tr> <tr> <td>Mains water</td> <td>8,690^Δ</td> <td>3,022</td> </tr> <tr> <td>- Freshwater¹</td> <td>0</td> <td>0</td> </tr> <tr> <td>- Other water¹</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total water withdrawal</td> <td>15,429^Δ</td> <td>5,159</td> </tr> </tbody> </table> <p>^Δ Within PricewaterhouseCoopers LLP's (PwC's) independent limited assurance scope - see pages 118-121 of this ESG Reporting Index. For Reporting boundaries and methodologies, see pages 94-116.</p> <p>1. Water withdrawals are typically further treated at site, to ensure suitability for processing. We do not further disaggregate between freshwater and other water as a result.</p>		All sites (ML)	Sites in water stressed areas (ML)	Water withdrawal by source			Surface water	1,615 ^Δ	791	- Freshwater ¹	0	0	- Other water ¹	0	0	Ground water	5,124 ^Δ	1,346	- Freshwater ¹	0	0	- Other water ¹	0	0	Seawater	0	0	Produced water	0	0	Mains water	8,690 ^Δ	3,022	- Freshwater ¹	0	0	- Other water ¹	0	0	Total water withdrawal	15,429^Δ	5,159
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How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Water and effluents

Disclosure

Our response

303-04 Water discharge

		Sites in water stressed areas		
		All sites (ML)	(ML)	
●	Water discharge	Surface water	1,245	838
		Ground water	289	67
		Seawater	2,970	–
		Third-party water (total)	5,525	1,324
		Third-party water sent for use to other organisations	0	0
		Total water discharge	10,029	2,229
Water discharge by freshwater and other water	Fresh water	0	0	
	Other water	0	0	

Please refer to the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information about how data has been compiled.

In fiscal 24, total effluent volume was 10,029 km³ and total BOD was 31,568 tonnes, of which 31,364^Δ tonnes were under our direct control. This represents a 12.2% decrease in wastewater polluting power (BOD), total under direct control (tonnes) from the prior year. We report on wastewater polluting power by region and by year, as illustrated below.

The immediate receiving medium after leaving Diageo site

	As a percentage of total Diageo effluent volume %	Percentage of the final BOD to the environment %
Lake	3	0
Third-party municipal	55	1
Land	3	0
River	10	0
Sea	29	99
Wetland	0	0
Total	100	100

Wastewater polluting power by region, by year (BOD/tonnes)

	2022	2023	2024
North America	59	176	118
Europe	28,470	35,661	31,317
Asia Pacific	1	19	72
Latin America and Caribbean	0	0	2
Africa	108	48	59
Total	28,638	35,905	31,568
Total under direct control	28,426	35,742	31,364^Δ

^Δ Within PricewaterhouseCoopers LLP's (PwC's) independent limited assurance scope - see pages 118-121 of this ESG Reporting Index. For Reporting boundaries and methodologies, see pages 94-116.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Water and effluents

Disclosure	Our response																											
303-04 Water discharge continued	<p>Wastewater treatment by method</p> <p>In fiscal 24, wastewater was treated at our operational sites, using one or more of the following methods: aerobic treatment, anaerobic treatment, pH balance, filtration, reverse osmosis, settling area and stabilisation ponds. Some 55% of wastewater volume was sent to off-site treatment facilities. This represents 1% of final BOD to the environment.</p> <table border="1"> <thead> <tr> <th>Treatment method</th> <th>Sites using treatment method (%)</th> <th>Volume (m³) of effluent by treatment method</th> </tr> </thead> <tbody> <tr> <td>Aerobic treatment</td> <td>19</td> <td>1,921,634</td> </tr> <tr> <td>Anaerobic treatment</td> <td>38</td> <td>3,859,757</td> </tr> <tr> <td>pH balance</td> <td>62</td> <td>6,229,685</td> </tr> <tr> <td>Filtration</td> <td>10</td> <td>1,035,191</td> </tr> <tr> <td>Reverse osmosis</td> <td>7</td> <td>735,401</td> </tr> <tr> <td>Settling area</td> <td>5</td> <td>498,878</td> </tr> <tr> <td>Stabilisation ponds</td> <td>2</td> <td>236,383</td> </tr> <tr> <td>Other</td> <td>24</td> <td>2,406,911</td> </tr> </tbody> </table> <p>There were 193 spills or incidents during the reporting year, totalling approximately 11,362.55 m³ of spilled material. We have established a stringent baseline for significant spills, reflecting our commitment to minimising environmental impact and ensuring sustainable management practices.</p> <p>According to our definitions, a significant spill or release occurs when a substance that can be solid, gaseous or liquid leaks from its container or containment.</p> <p>A significant spill or release is one that meets any of the following three criteria:</p> <ul style="list-style-type: none"> • Volume: 25 litres for hazardous substances; 50 litres for non-hazardous substances; 100 litres for alcohol/ethanol; 25 kg for dry spillages. • Pollution: Has a pollution effect (i.e. might possibly affect the quality of the soil, water, air, biodiversity and human health). • Reportable: Is a spill that must be reported to the appropriate government agency. <p>In each of these cases, actions were taken to contain and resolve the spill, and the regulator was informed, when applicable, and satisfied with our response, corrective action and follow-up.</p> <p>Omissions: volume of unplanned discharges is not monitored.</p> <p>Reason: data is unavailable/incomplete.</p> <p>Explanation: monitoring programme to be established to determine number of occasions and volumes.</p>	Treatment method	Sites using treatment method (%)	Volume (m ³) of effluent by treatment method	Aerobic treatment	19	1,921,634	Anaerobic treatment	38	3,859,757	pH balance	62	6,229,685	Filtration	10	1,035,191	Reverse osmosis	7	735,401	Settling area	5	498,878	Stabilisation ponds	2	236,383	Other	24	2,406,911
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303-05 Water consumption	<p>Water consumption</p> <table border="1"> <thead> <tr> <th></th> <th>All sites (ML)</th> <th>Sites in water stressed areas (ML)</th> </tr> </thead> <tbody> <tr> <td>Total water consumption</td> <td>5,400</td> <td>2,930</td> </tr> <tr> <td>Change in water storage, if water storage has been identified as having a significant water-related impact</td> <td>–</td> <td>–</td> </tr> </tbody> </table> <p>Please refer to the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information about how data has been compiled.</p>		All sites (ML)	Sites in water stressed areas (ML)	Total water consumption	5,400	2,930	Change in water storage, if water storage has been identified as having a significant water-related impact	–	–																		
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How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Biodiversity

Disclosure	Our response
3-3  Our management approach to biodiversity	<p>Many of our distilleries, breweries and other sites are surrounded by valuable ecosystems that support a wide range of plant and animal species which can be vital to the livelihoods of local people. The production of the raw materials that we source from suppliers can also affect nature, for example, by impacting natural habitats, reducing the availability and/or quality of water or through the use of pesticides and fertilisers.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our website: For information about how we manage biodiversity around our distilleries, breweries and other sites, see the Biodiversity section of our website. • Our reports: For information about how we report on biodiversity, including definitions, scope and data preparation, see the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index. • Our policies and standards: Our Deforestation Guidelines set out our commitments to achieving no deforestation and no conversion in our supply chains by the end of 2025. Our Sustainable Agriculture Guidelines set out our expectations for farmers, including those for the use of pesticides and fertilisers. <p>We continue to focus on the impact our business has on biodiversity, particularly in relation to water, our main ingredient. For more information on how we manage water and effluents, please see pages 38-41 of this ESG Reporting Index. We also carry out biodiversity impact assessments for new builds and sites in sensitive locations.</p> <p>We have identified 54 operational sites, and other areas of land we own, that are in or adjacent to protected areas or areas of high biodiversity value as defined by the Integrated Biodiversity Assessment Tool, United Nations or National Conservation Lists. These sites are listed under GRI 304-01 below and have a relatively small total area of 54.2 km². We have created a framework to develop biodiversity management plans for our operational sites.</p> <p>Several of our sites are also close to the habitats of threatened species, as designated by the International Union for Conservation of Nature. In all cases, we are managing these sites in line with our licence conditions and are aiming to meet the expectations of local stakeholders.</p> <p>We carried out an assessment of deforestation risk within our supply chains. It found that while most of our raw materials are not directly associated with high deforestation risk, some may pose a potential risk. We have set a commitment of net zero conversion for all natural habitats, no deforestation and no conversion in our supply chain – by the end of 2025 for direct suppliers and by 2030 for indirect suppliers. We are developing regenerative agricultural pilot programmes to help farmers deliver positive outcomes for nature.</p> <p>To increase the efficacy of our approach to biodiversity, we will strengthen our ability to quantify our biodiversity impacts and dependencies across our raw material and packaging supply chains. We are aligning our work with external frameworks including the Taskforce on Nature-related Financial Disclosures. The outcomes of this work will be reviewed by a cross-functional working group and at our quarterly 2030 Grain-to-Glass Strategic Business Review meetings. These developments will help us manage biodiversity risks and opportunities and ensure we have the right level of resources to meet our commitments.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Biodiversity

Disclosure

Our response

304-01 **Operational sites owned, leased, managed in, or adjacent to protected areas or areas of high biodiversity value outside protected areas** See table below.



Operational sites owned, leased, managed in, or adjacent to protected areas or areas of high biodiversity value outside protected areas

Site	Type of operation	Protected status of area	Position in relation to area of high biodiversity value		Biodiversity value attribute
			Inside	Adjacent	
Abercrombie, Scotland	Engineering	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Acipayam, Türkiye	Aniseed	CI Biodiversity hotspot	✓		Terrestrial
Alasehir, Türkiye	Distilling, packaging	CI Biodiversity hotspot	✓		Terrestrial, freshwater
Auchroisk, Scotland	Distilling	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Benin, Nigeria	Brewing	Alliance for Zero Extinction		✓	Marine
Benrines, Scotland	Distilling	Natura 2000		✓	Freshwater
Bileik, Türkiye	Packaging	IUCN		✓	Terrestrial, freshwater
Blackgrange, Scotland	Warehousing	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Blair Atholl	Distilling	Natura 2000		✓	Terrestrial, freshwater
Blythswood, Scotland	Warehousing	Natura 2000 Ramsar		✓	Freshwater
Bonnybridge, Scotland	Warehousing	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Brora, Scotland	Distilling	Natura 2000 Ramsar		✓	Terrestrial, marine
Broxburn, Scotland	Warehousing	Natura 2000 Ramsar		✓	Terrestrial, marine
Burghhead, Scotland	Maltings	Natura 2000 Ramsar		✓	Marine
Cambus, Scotland	Warehousing	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Cameronbridge, Scotland	Distilling, bioenergy	Natura 2000 Ramsar		✓	Marine

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Biodiversity

Disclosure

Our response

Position in relation to
area of high
biodiversity value

Site	Type of operation	Protected status of area	Position in relation to area of high biodiversity value		
			Inside	Adjacent	Biodiversity value attribute
Caol Ila, Scotland	Distilling	Natura 2000 Ramsar		✓	Terrestrial, marine
Cardhu, Scotland	Distilling	Natura 2000 Ramsar		✓	Freshwater
Cluny, Scotland	Warehousing	Natura 2000 Ramsar		✓	Freshwater, marine
Clynelish, Scotland	Distilling	Natura 2000 Ramsar		✓	Terrestrial, marine
Cragganmore, Scotland	Distilling	Natura 2000		✓	Freshwater
Dailuaine, Scotland	Distilling	Natura 2000		✓	Freshwater
Dalwhinnie, Scotland	Distilling	Natura 2000		✓	Terrestrial, freshwater
Dufftown, Scotland	Distilling	Natura 2000		✓	Freshwater
Elazig, Türkiye	Winery	CI Biodiversity Hotspot	✓		Terrestrial, freshwater
Glendullan, Scotland	Distilling	Natura 2000		✓	Freshwater
Glen Elgin, Scotland	Distilling	Natura 2000 Ramsar		✓	Freshwater, marine
Glenkinchie, Scotland	Distilling	Natura 2000 Ramsar		✓	Freshwater, marine
Glenlossie, Scotland	Distilling, bioenergy	Natura 2000 Ramsar		✓	Freshwater, marine
Glen Ord, Scotland	Distilling, maltings	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Glen Spey, Scotland	Distilling	Natura 2000		✓	Freshwater
Inchgower, Scotland	Distilling	Natura 2000 Ramsar		✓	Freshwater, marine
Kampala, Uganda	Brewing	Ramsar		✓	Freshwater
Knockando, Scotland	Distilling	Natura 2000		✓	Freshwater
Lagavulin, Scotland	Distilling	Natura 2000 Ramsar		✓	Terrestrial, marine
Linkwood, Scotland	Distilling	Natura 2000 Ramsar		✓	Freshwater, marine
Lochnagar, Scotland	Distilling	Natura 2000		✓	Freshwater
Mannochmore, Scotland	Distilling	Natura 2000 Ramsar		✓	Freshwater, marine
Menstrie, Scotland	Warehousing, technical centre	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Moray, Scotland	Offices	Natura 2000 Ramsar		✓	Freshwater, marine
Mortlach, Scotland	Distilling	Natura 2000		✓	Freshwater
Neveshir, Türkiye	Distilling, packaging	CI Biodiversity Hotspot	✓		Terrestrial
Oban, Scotland	Distilling	Natura 2000		✓	Terrestrial, freshwater, marine

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Biodiversity

Disclosure

Our response

Site	Type of operation	Protected status of area	Position in relation to area of high biodiversity value		Biodiversity value attribute
			Inside	Adjacent	
Port Ellen, Scotland	Distilling, maltings	Natura 2000 Ramsar		✓	Terrestrial, marine
Portland, USA	Distilling, packaging	IUCN Category I-VI		✓	Terrestrial
Relay, USA	Brewing, visitor centre	IUCN Category I-VI		✓	Terrestrial
Roseisle, Scotland	Distilling, maltings	Natura 2000 Ramsar		✓	Marine
St Croix, USVI	Distilling	CI Biodiversity Hotspot, IUCN Category I-VI, Alliance for Zero Extinction	✓		Terrestrial, freshwater
Strathmill, Scotland	Distilling	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Talisker, Scotland	Distilling	Natura 2000		✓	Terrestrial, marine
Tarsus, Türkiye	Distilling	Alliance for Zero Extinction	✓		Terrestrial
Tasel, Cyprus	Packaging	CI Biodiversity Hotspot	✓		Terrestrial, freshwater
Teaninich, Scotland	Distilling	Natura 2000 Ramsar		✓	Terrestrial, freshwater, marine
Victoria, Seychelles	Brewing	IUCN Categories I-VI		✓	Marine

Please refer to the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information about how data has been compiled.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed






Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Biodiversity

Disclosure	Our response
304-02 Significant impacts of activities, products and services on biodiversity 	<p>None of the operations or land that we own have a significant impact on protected areas, or on areas of high biodiversity value outside protected areas. Through the sourcing of our agricultural and packaging commodities, we will impact on biodiversity; particularly through the use of land for farming and resulting land use change, the use of agrochemicals in these production systems and the impact on fresh water availability and quality.</p> <p>Omissions: quantitative upstream impacts on biodiversity.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: we are currently completing our assessment of our upstream impacts on biodiversity.</p>
304-03 Habitats protected or restored 	<p>We have implemented various initiatives to protect and restore habitats. Our water replenishment efforts focus on environmental restoration and conservation. In Jalisco, Mexico, we partnered with local authorities in San Diego de Alejandria to establish a tree nursery. This initiative promotes reforestation activities and the preservation of local species to maintain landscapes.</p> <p>Through our regenerative agriculture programmes, we aim to protect and restore soils. In Ireland, we have collaborated with 44 farmers to plant cover crops and actively monitor biodiversity both above and below the ground.</p> <p>Our brands are also leading initiatives for nature restoration; for example, Bulleit Frontier Whiskey and American Forests have extended their partnership, committing to planting and restoring 2.5 million white oak trees by 2026. These trees are essential for the production of whiskey barrels and contribute to combating climate change by absorbing carbon, purifying air and conserving water.</p> <p>Seedlip contributes 1% of its annual global revenues to environmental causes. In Europe, we support the Urban Nature Project led by the Natural History Museum. This project focuses on creating urban green spaces and wildlife habitats.</p> <p>Furthermore, we have reported a total area of 5.7 km² of habitats protected and restored across our supply locations.</p>
304-04 IUCN Red List species and national conservation list species with habitats in areas affected by operations 	<p>Omissions: quantitative data on IUCN Red List species.</p> <p>Reason: unable to quantify direct or indirect impacts on specific species. We provided our best efforts data in fiscal 23, but did not give any information on impacts to those species.</p> <p>Explanation: we believe that our impact on any one species on the IUCN Red List is immaterial. We are continuing to research the impact we have on the biodiversity near our sites, and until such time that material impacts are identified to species, we will refrain from reporting.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Emissions

Disclosure

Our response

3-3



Our management approach to emissions

The physical impacts of climate change are becoming progressively more severe globally. We are committed to adapting to climate change and mitigating our impact on the environment. We are following a science-based approach to reducing our emissions across Scope 1, 2 and 3, in line with the Paris Agreement, to mitigate and adapt to the worst effects of climate change.

For further information, see:

- **Our website:** For information on our approach to emissions in the context of our 'Spirit of Progress' 10-year strategy, please see the Pioneer grain-to-glass sustainability section of our website which includes our [Net Zero Carbon Strategy](#).
- **Our reports:** See the Pioneer grain-to-glass sustainability section of our Annual Report on pages 69-71 for information on our approach to emissions and performance against our emissions targets. Also see the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information about how we measure and report on our targets.
- **Our policies and standards:** See our [Net Zero Carbon Strategy](#) and our [Global Environment Policy](#) for information on our approach to energy and emissions.

Greenhouse gas (GHG) emissions from our own operations

By actively increasing the use of renewable energy in our operations, we are working towards reducing our energy-related emissions that contribute greater than 98% of our Scope 1 and 2 GHG emission footprint. In order to meet our ambition to be net zero in our direct operations by 2030, we have to directly abate our operational emissions by at least 95% compared with our 2020 baseline.

We are committed to driving down residual emissions from non-zero emission bioenergy sources, fugitive gas emissions and other sources. We measure and reduce these emissions under the We Mean Business initiative to address short-lived climate pollutants. Our residual emissions are minimal, making up less than 5% of our direct operations' GHG emissions. A maximum of 5% of our 2020 Scope 1 and 2 baseline emissions could be neutralised using carbon credits to reach our net zero target commitments in line with a science-based approach.

We report any biological or biogenic carbon dioxide emissions separately - these emissions, from the combustion of bioenergy and processes like fermentation to produce alcohol, are considered 'outside of scope'.

GHG emissions from our supply chains

In addition to our direct operations emissions ambition, we have set a Science Based Targets initiative approved target to reduce our Scope 3 value chain emissions by 50% by 2030 from our 2020 baseline. To do so, we are building long-lasting partnerships with our suppliers and are helping our third-party operations to join us on this journey. Transforming the way we do business to embed a lower-carbon, more collaborative and circular way of sourcing our materials and services will enable us to deliver significant emission reductions.

We have developed and are implementing and refining decarbonisation roadmaps to reduce our Scope 3 emissions and we are partnering with our suppliers to improve the granularity of our Scope 3 greenhouse gas emissions data, while driving reductions together.

Key contributors to our Scope 3 greenhouse gas emissions include the raw materials we source, the packaging we purchase and the energy purchased by our suppliers. We are dedicating resources to deploy and scale regenerative agriculture solutions and reduce our raw material emissions. In addition, we are developing circular packaging propositions that reduce the volume and type of packaging materials we use. We are also working with our suppliers to help them access low-cost, reliable renewable energy.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Emissions

Disclosure

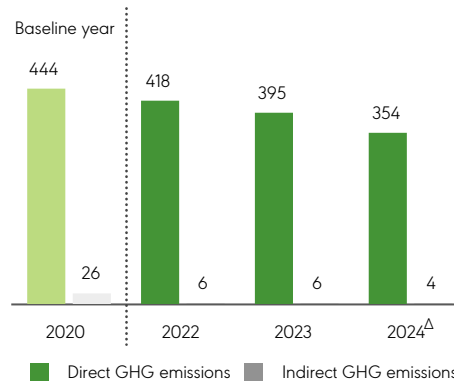
Our response

305-01 **Direct (Scope 1) and indirect (Scope 2)**
305-02 **GHG emissions**



Total direct and indirect greenhouse gas emissions (location/gross) by weight this year were 599^Δ ('000 tonnes CO₂e) (2023: 639 ('000 tonnes CO₂e)), comprising direct greenhouse gas emissions by weight (location/gross) of 418^Δ ('000 tonnes CO₂e) (2023: 483 ('000 tonnes CO₂e)) and indirect greenhouse gas emissions by weight (location/gross) of 181^Δ ('000 tonnes CO₂e) (2023: 156 ('000 tonnes CO₂e)).

Direct and indirect GHG emissions (market-based) by weight ('000 tonnes CO₂e)¹



1. 2020 baseline data and data for the periods ended 30 June 2022 and 30 June 2023, have been restated in line with our Reporting boundaries and methodologies.

Δ Fiscal 24 direct and indirect greenhouse gas emissions by weight (market/net based) are within PricewaterhouseCoopers LLP's (PwC's) independent limited assurance scope - see pages 118-121 of this ESG Reporting Index. For Reporting boundaries and methodologies, see pages 94-116.

Our fiscal 24 biogenic CO₂ emissions associated with the combustion of bioenergy in our direct operations were 330 ('000 tonnes CO₂) and associated removals were 260 ('000 tonnes CO₂). Other biological CO₂ emissions are approximated at 388 ('000 tonnes CO₂).

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Emissions

Disclosure

Our response

305-03 Other indirect (Scope 3) GHG emissions



Global Scope 3 GHG emissions

Scope 3 categories	Sources of Scope 3 GHG ^{1,2} emissions	Metric tonnes CO ₂ e (2024)
Category 1	Purchased goods: raw materials	1,863,046
	Purchased goods: packaging	1,703,944
	Purchased goods: services	638,600
Category 2	Capital goods	318,925
Category 3	Fuel and energy-related activities (not included in Scope 1 or 2)	62,941
Category 4	Upstream transportation and distribution (Category 4 Outbound logistics)	415,526
	Upstream transportation and distribution (Category 4 Inbound logistics)	236,972
Category 5	Waste generated in operations	24,512
Category 6	Business travel	35,081
Category 7	Employee commuting	12,499
Category 11	Use of sold products (chillers/refrigeration)	218,476
Category 12	End-of-life treatment of sold product	39,648
Total		5,570,171

- The principal greenhouse gases are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and hydrofluorocarbons (HFCs).
- The latest industry standards and best practices were included in the reporting to establish the most complete, consistent and accurate GHG footprint as required by the GHG Protocol. Our Scope 3 2020 baseline has been restated this year due to planned Diageo disposals. More information on Diageo's disposals can be found in the Financial Statements of our Annual Report.

Please refer to the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information about how data has been compiled.

305-04 GHG emissions intensity



This year, the market-based (net) intensity ratio of our Scope 1 and 2 GHG emissions was 96g CO₂e per litre of packaged product (2023: 105g/l) and the location-based (gross) intensity ratio of our Scope 1 and 2 GHG emissions was 160g^Δ CO₂e per litre of packaged product (2023: 168g/l).

For fiscal 24, the total volume packaged used for the denominator in intensity indicators is 3,742,841,969 litres.

^Δ Within PricewaterhouseCoopers LLP's (PwC's) independent limited assurance scope - see pages 118-121 of this ESG Reporting Index. For Reporting boundaries and methodologies, see pages 94-116.

305-05 Reduction of GHG emissions



The percentage change in absolute greenhouse gas emissions (direct and indirect greenhouse gas emissions by weight (market/net based)) from the prior year was 10.7% decrease.

Our Scope 3 greenhouse gas emissions decreased by 5% compared to fiscal 23.

For more information, see pages 70-71 of our Annual Report.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Emissions

Disclosure

Our response

305-06

Emissions of ozone-depleting substances (ODS)

The extent of ozone-depleting substances across our operations is summarised in the table below. The residual volumes of halons and CFCs across the business are now relatively minor.

Ozone-depleting substances and fluorinated gases

	Present (kg)	Emitted (kg)	Emissions CO ₂ e (tonnes)
Halons	0	0	0
CFC	50	3	14
HCFC	1,851	251	454
HFC	18,814	1,292	2,913
SF ₆	16	0	0
PCC	0	0	0

305-07

Nitrogen oxides (NO_x), sulphur oxides (SO_x), and other significant air emissions

Emissions from stationary combustion sources have impacts on the environment. In fiscal 24, we emitted 783 tonnes of NO_x and 1,362 tonnes of SO_x. NO_x and SO_x are determined using measured stack emissions and also calculated emissions based on fuel usage and standard emission factors. A small number of sites have NO_x and SO_x air emissions associated with the roasting and kilning of cereals. These emissions are measured but are minimal to our overall total NO_x and SO_x levels, which remain low compared with overall NO_x and SO_x data.

NO_x and SO_x emissions by year (tonnes)

	2022	2023	2024
NO _x	628	648	783
SO _x	373	473	1,362

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Waste

Disclosure	Our response
3-3  Our management approach to waste	<p>As with many products, the production of alcoholic drinks has the potential to generate waste at multiple stages of the product lifecycle. If left unmanaged, waste from our operations and supply chain would create negative environmental and social impacts, including contributing to greenhouse gas emissions, air pollution, biodiversity loss and harm to human health. In view of these risks, managing waste is a priority.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our website: For information on our approach to waste and our zero waste to landfill commitment see the Pioneer grain-to-glass sustainability section on our website. • Our reports: For information on our approach to waste and performance against our waste-related targets, see the Pioneering grain-to-glass and responding to climate-related risk section of our Annual Report on pages 61-67. For information on how we measure and report on our targets, also see the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index. • Our policies and standards: Our Global Environment Policy and our Partnering with Suppliers Standard set out our commitments around waste and our expectations of our suppliers. <p>Our primary focus for waste is end-user waste, where we have set ambitions to increase the recycled content included in our packaging as well as reduce the weight of our packaging. For more information, refer to the Annual Report on pages 71-72 and GRI 301-02. We also consider the recyclability of our packaging to be an important part of our strategy to increase the circularity of our supply chain and support our emissions reduction efforts. More information is included in GRI 301-03.</p> <p>For waste generated in our direct operations, we are proud to have maintained our ambition to produce zero waste created intended for landfill in fiscal 24. We continue to report on waste in our direct operations in GRI 306-03. To continue to minimise landfill waste, we partner with certified waste handlers and follow a waste management hierarchy: eliminate, reduce, reuse, recycle, recover, and dispose.</p> <p>We purchase most of our packaging materials, so we look to engage with our suppliers to set zero waste targets, as outlined in our Partnering with Suppliers Standard. For contracted suppliers, our standard templates include guidance language to encourage waste reduction efforts.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Waste

Disclosure	Our response
306-01 Waste generation and significant waste-related impacts	<p>Co-products and by-products from brewing and distilling represent the key waste streams from our operations in addition to creating a resource for further use. Applying circularity measures is central to our approach to handling our materials and reducing any waste-related impacts. We mitigate risk by recovering and reusing co-products and by-products from brewing, distilling and malting in agricultural applications, for example, as animal feed or in valorisation processes.</p> <p>The most significant waste-related impacts are associated with our downstream supply chain - that is, the disposal of our products and packaging after use.</p> <p>See GRI 306-02 below for information on our strategy to minimise upstream waste, including how we partner with our suppliers to carry out regenerative agriculture techniques. Downstream, we try to minimise waste through circular-economy initiatives, such as our EcoSpirits solution in Asia, the UK and Ireland.</p>
 306-02 Management of significant waste-related impacts	<p>We continue to focus on how we can use our resources to drive positive change in the way that society produces and manages waste. We aim to do this by creating and advocating for more efficient production and recycling infrastructure while developing sustainable and circular packaging solutions.</p> <p>See our website and page 71-72 of our Annual Report for information about the strategy, targets and performance that contribute towards us becoming sustainable by design.</p> <p>Over recent years, we have undertaken various initiatives to develop recycling infrastructure in communities where we make and sell products.</p> <ul style="list-style-type: none"> • We work with third parties to manage the waste that is created when producing and manufacturing our products. • We perform waste traceability assessments on third parties to make sure they manage waste in line with our contractual agreements and government legislation. <p>Our 2030 ambition is to achieve zero waste created intended for landfill in our direct operations, which we met in fiscal 23. Our performance in fiscal 24 shows that we continue to meet our 2030 ambition. We are assessing our waste handlers regularly to improve our contracts with waste handlers and embed further internal controls to maintain our zero waste to landfill status.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Waste

Disclosure

Our response

306-03 Waste generated

Total weight of waste by type and disposal method (tonnes)



Region	Total waste to landfill	Other disposal (incinerated without reuse/legislation requiring* landfill).	Total waste used or recycled	Total waste
North America	1	1	265,679	265,681
Europe	0	116	704,104	704,220
Asia Pacific	43	5	150,775	150,823
Latin America and Caribbean	1	8	50,720	50,729
Africa	6	403	240,076	240,485
Total	51	533	1,411,354	1,411,938

Hazardous waste reused, recycled and sent to landfill (tonnes)

Region	Hazardous waste to landfill	Other disposal (incineration without reuse)	Hazardous waste used or recycled	Total hazardous waste
North America	0	1	2,947	2,948
Europe	0	1	2,628	2,629
Asia Pacific	0	4	25	29
Latin America and Caribbean	0	7	47	54
Africa	249	53	256	558
Total	249	66	5,903	6,218

Waste by composition, in metric tonnes (tonnes)¹

Waste composition	Waste diverted from disposal (used or recycled)	Waste directed to disposal (landfill/ incineration)	Total waste generated
Co-products spent grains	1,108,650	0	1,108,650
Solid waste	296,800	269	297,069
Hazardous waste	5,904	315	6,219
Total	1,411,354	584	1,411,938

1. This information is collected both by us and by our waste disposal contractors.

How we have met each disclosure



Fully disclosed as outlined
by the GRI Sustainability
Reporting Standards



Partially disclosed and
missing at least one
required indicator



Not disclosed





Not considered material
to our business
at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Waste

Disclosure	Our response																																																				
306-04  Waste diverted from disposal	<p>Waste diverted from disposal by recovery operation, in metric tonnes^{1,2}</p> <table border="1"> <thead> <tr> <th></th> <th>Total waste generated</th> <th>Waste diverted from disposal (used or recycled)</th> <th>Waste directed to disposal</th> </tr> </thead> <tbody> <tr> <td colspan="4">Hazardous waste</td> </tr> <tr> <td>Preparation for reuse</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Recycling</td> <td>6,218</td> <td>5,903</td> <td>315</td> </tr> <tr> <td>Other recovery</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>6,218</td> <td>5,903</td> <td>315</td> </tr> <tr> <td colspan="4">Non-hazardous waste</td> </tr> <tr> <td>Preparation for reuse</td> <td>1,108,650</td> <td>1,108,650</td> <td>0</td> </tr> <tr> <td>Recycling</td> <td>296,800</td> <td>296,530</td> <td>270</td> </tr> <tr> <td>Other recovery</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>1,405,450</td> <td>1,405,180</td> <td>270</td> </tr> <tr> <td colspan="4">Waste prevented</td> </tr> <tr> <td>Total</td> <td></td> <td>1,405,180</td> <td></td> </tr> </tbody> </table> <p>1. This information is collected both by us and by our waste disposal contractors. 2. Includes waste diverted to energy generation.</p>		Total waste generated	Waste diverted from disposal (used or recycled)	Waste directed to disposal	Hazardous waste				Preparation for reuse	0	0	0	Recycling	6,218	5,903	315	Other recovery	0	0	0	Total	6,218	5,903	315	Non-hazardous waste				Preparation for reuse	1,108,650	1,108,650	0	Recycling	296,800	296,530	270	Other recovery	0	0	0	Total	1,405,450	1,405,180	270	Waste prevented				Total		1,405,180	
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306-05  Waste directed to disposal	<p>Waste directed to disposal by disposal operation, in metric tonnes^{1,2}</p> <table border="1"> <thead> <tr> <th></th> <th>Onsite</th> <th>Offsite</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td colspan="4">Hazardous waste</td> </tr> <tr> <td>Incineration (with energy recovery)</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Incineration (without energy recovery)</td> <td>0</td> <td>66</td> <td>66</td> </tr> <tr> <td>Landfilling³</td> <td>0</td> <td>249</td> <td>249</td> </tr> <tr> <td>Other disposal operations</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>0</td> <td>315</td> <td>315</td> </tr> <tr> <td colspan="4">Non-hazardous waste</td> </tr> <tr> <td>Incineration (with energy recovery)</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Incineration (without energy recovery)</td> <td>0</td> <td>111</td> <td>111</td> </tr> <tr> <td>Landfilling</td> <td>0</td> <td>51</td> <td>51</td> </tr> <tr> <td>Other disposal operations⁴</td> <td>0</td> <td>107</td> <td>107</td> </tr> <tr> <td>Total</td> <td>0</td> <td>269</td> <td>269</td> </tr> </tbody> </table> <p>1. This information is collected both by us and by our waste disposal contractors. 2. Excludes Waste to energy as detailed in 306-04; (Waste to energy is deemed recovery, as specified in EU Directive 2008/98/EEC). 3. Includes hazardous waste required by legislation to be landfilled. 4. Disposal of Himalayan Balsam to registered landfill site.</p>		Onsite	Offsite	Total	Hazardous waste				Incineration (with energy recovery)	0	0	0	Incineration (without energy recovery)	0	66	66	Landfilling ³	0	249	249	Other disposal operations	0	0	0	Total	0	315	315	Non-hazardous waste				Incineration (with energy recovery)	0	0	0	Incineration (without energy recovery)	0	111	111	Landfilling	0	51	51	Other disposal operations ⁴	0	107	107	Total	0	269	269
	Onsite	Offsite	Total																																																		
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Other disposal operations ⁴	0	107	107																																																		
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How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed






Not considered material to our business at this time

GRI Index *continued*

Topic standards

Environmental *continued*

Supplier environmental assessment

Disclosure	Our response
3-3  Our management approach to supplier environmental assessment	<p>Many of the environmental impacts of the products we sell take place within our supply chain. Assessing the performance of our suppliers is an important step in supporting them to manage and reduce these impacts.</p> <p>By means of:</p> <ul style="list-style-type: none"> • Climate change questionnaire. • Water security questionnaire. • Supplier assessment (quality, cost, reliability, sustainability). • Carbon and water performance reviews. <p>For more information about our approach to environmental management with suppliers, see our Partnering with Suppliers Standard.</p>
308-01  New suppliers that were screened using environmental criteria	<p>When onboarding new Tier 1 suppliers we provide them with a copy of our contracting terms, which includes our expectations regarding our 'Spirit of Progress' ambitions. We ask suppliers to take part in CDP (formerly known as the Carbon Disclosure Project) if they are over a certain spend threshold and within a certain category which is deemed high priority for carbon and water. 100% of our suppliers have been screened against this criteria in fiscal 24. We are then able to collect the data and understand where further engagement is needed to drive improvements.</p>
308-02  Negative environmental impacts in the supply chain and actions taken	<p>For our management approach on supplier environmental assessment please see GRI 3-3 above.</p> <p>To enhance our engagement with participating suppliers, in support of our 'Spirit of Progress' Scope 3 greenhouse gas emissions reductions target, we have developed 'sprint processes', which start with supplier questionnaires that include a suite of performance measures relating to climate change and water security.</p> <p>Through our climate change questionnaire, our suppliers are assessed on their transparency, their ability to report Scope 1 and 2 greenhouse gas emissions data, the reduction initiatives they have in place, how they are setting targets against those initiatives, their ability to transition to renewable energy and how they are managing their Scope 3 supply chain greenhouse gas emissions.</p> <p>Through our water security questionnaire, we assess our suppliers on their transparency, how they report on their operational water risks, their water accounting information, the governance structures they have in place, their water use targets and how they engage with their supply chains. For both programmes, we then meet regularly with our suppliers to assess progress and where they need support to address challenges.</p> <p>Our Procurement function assesses suppliers on a range of factors including quality, cost, reliability and sustainability, and communicates their overall effectiveness and suitability through our sourcing process, performance management scorecard and contract documents. We have carried out detailed carbon and water performance reviews with our largest suppliers and developed specific action plans to address areas for improvement.</p> <p>For more information on our approach to environmental management with suppliers, see our Partnering with Suppliers Standard.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social

Employment

Disclosure	Our response
3-3  Our management approach to employment	<p>We are committed to providing a safe, healthy and flexible working environment for all our people. We also strive to create a working environment that is inspiring and where talent is nurtured, developed and rewarded. We promote an inclusive culture where our employees feel secure, respected and valued for their contribution.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our website and reports: For more information on our approach to employment, see the Our people and culture section of our Annual Report on page 55-56 and the Our inclusive culture page on our website. • Our policies and standards: We comply with all local labour laws and regulations and expect our suppliers to do the same. In addition, our Global Human Rights Policy includes our own policies for employees and our Partnering with Suppliers Standard sets the minimum standards for our suppliers. <p>We measure employee engagement as one of our key performance indicators, as set out in our Annual Report on page 26, using our annual Your Voice survey. Based on the outcomes of this survey, in addition to ongoing engagement programmes, teams develop their own action plans to improve employee engagement and satisfaction. In fiscal 24, we are also measuring our cultural transformation through the Your Voice survey and teams will develop targeted plans to further embed speed and agility to complement global culture initiatives being rolled out. Our HR team routinely reviews our policies and standards to ensure they are sufficiently rigorous and will continue to strengthen our reputation as an employer. This helps us retain our employees while also attracting new people to the business. Our Executive Committee is provided with half-yearly updates on talent planning. More details can be found in the Annual Report on pages 122-125.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Employment

Disclosure

Our response

401-01

New employee hires and employee turnover

Employee turnover in fiscal 24 was 14%, consisting of 9% voluntary departures and 4% involuntary departures. The remaining 1% of turnover was for other reasons, such as retirements and end of fixed-term contracts.

New hires by region by age

Region	Under 30	30-50	Over 50	Total	Percentage of total new hires
North America	150	233	42	425	14 %
Europe	591	701	63	1,355	13 %
Asia Pacific	575	771	18	1,364	16 %
Latin America and Caribbean	343	392	20	755	17 %
Africa	177	224	4	405	12 %
Total	1,836	2,321	147	4,304	14 %
Percentage of total new hires	42.7%	53.9%	3.4%		

New hires by region by gender

Region	Men	Women	Not Declared	Total	Percentage of total new hires
North America	267	157	1	425	14 %
Europe	630	720	5	1,355	13 %
Asia Pacific	801	563	0	1,364	16 %
Latin America and Caribbean	458	297	0	755	17 %
Africa	177	228	0	405	12 %
Total	2,333	1,965	6	4,304	14 %
Percentage of total new hires	54.2%	45.7%	0.1%		

Leavers by region by age

Region	Under 30	30-50	Over 50	Total	Percentage of total leavers
North America	105	184	80	369	12 %
Europe	299	638	221	1,158	11 %
Asia Pacific	283	1,033	200	1,516	17 %
Latin America and Caribbean	307	523	51	881	20 %
Africa	75	279	49	403	12 %
Total	1,069	2,657	601	4,327	14 %
Percentage of total leavers	24.7%	61.4%	13.9%		

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*



Topic standards

Social *continued*

Employment

Disclosure

Our response

401-01	 New employee hires and employee turnover continued	Leavers by region by gender					Percentage of total leavers
		Region	Men	Women	Not Declared	Total	
		North America	232	137	0	369	12 %
		Europe	587	569	2	1,158	11 %
		Asia Pacific	1,055	460	1	1,516	17 %
		Latin America and Caribbean	576	305	0	881	20 %
		Africa	267	134	2	403	12 %
		Total	2,717	1,605	5	4,327	14 %
Percentage of total leavers		62.8 %	37.1 %	0.1 %			
For total workforce by employees and supervised workers, and by gender, see GRI 2-7 and the Our people and culture section of the Annual Report on page 56.							
401-02	 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>Benefits provided to employees vary across the countries where we do business. In the United Kingdom, for example - which accounts for 17% of our global employee base - we make no differentiation in relation to access to benefits between full-time and part-time employees: all employees have access to the same benefits applicable to their grade and location, regardless of the number of hours worked. In the United States and Canada - which account for 10% of our global employee base - non-unionised employees who work fewer than 20 hours per week are not eligible to receive all the benefits offered to those who work for more than 20 hours which is in line with the market practice; those employees who work 20 hours or more in a week have access to the same benefits applicable to their grade and location, regardless of the number of hours worked.</p> <p>Omissions: list of benefits, details across all locations.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: Diageo seeks to attract and retain the best talent and because the provision of benefits is aligned to local market requirements, including taking into account the provision made from a regulatory perspective (for example in retirement or medical care) there is variation in packages from market to market. We have employees in more than 60 countries and do not collate this information.</p>					

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Employment

Disclosure

401-03 **Parental leave**



Our response

We comply with all local legislation in our provision of family leave and provide benefits beyond minimum requirements in many countries. We continue to apply an ambitious global Family Leave Policy, which is applicable to all parents regardless of gender, sexual orientation or whether they become parents biologically, or via surrogacy or adoption. The policy offers women in all markets a minimum of 26 weeks of fully paid maternity leave, and men in all markets a minimum of four weeks of fully paid paternity leave. In 59 countries, we offer 26 weeks of fully paid paternity leave.

Data on family leave is only available for markets where we have implemented our global HR system, Workday.

Omissions: number of employees that returned to work after parental leave ended, and those who were still employed 12 months after return to work.

Reason: information unavailable/incomplete.

Explanation: we employ people in more than 60 countries and do not collate this information.

Number of employees taking family leave and average number of days taken by gender

	Men	Women	Total
Number of employees taking family leave	701	842	1,543
Average days of family leave taken in the year	102	159	133

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Labour/management relations

Disclosure	Our response
3-3 ● Our management approach to labour/management relations	<p>We have a strong commitment to discuss any concerns from any of our people, including those who are represented through a trade union or works council. Our HR team builds relationships with these groups where they exist and is encouraged to involve employee representatives early in business decisions to give them an opportunity to contribute to key issues.</p> <p>In countries where the right to freedom of association is restricted by law, we support the development of alternative means of representing employees' interests, by investing in individual consultations.</p> <p>We encourage our people to raise and discuss their concerns through an informal approach. In most cases the most effective and efficient way of dealing with a problem or potential problem is to raise the matter through the informal route. Our confidential SpeakUp service is equally accessible to our employees and anyone in our value chain, including contractors, suppliers, customers and consumers. We use any feedback we receive through SpeakUp and other engagement mechanisms to evaluate our approach to labour/management relations.</p> <p>In fiscal 24, as part of our commitment to assess human rights compliance, our direct operations implemented a self-assessment questionnaire to review human rights risks, specifically including our approach to labour/management relations. Where any concerns are identified, this enables us to introduce corrective action plans as may be appropriate.</p> <p>We believe our commitment helps to build positive relationships with our employees, increases employee engagement and business performance and contributes to our success against Diageo's Performance Ambition. Challenging labour relations might contribute to workplace disagreements, lower employee engagement, reduced productivity and increased employee turnover.</p> <p>For further information see:</p> <ul style="list-style-type: none"> ● Our policies and standards: For more information on our approach to labour/management relations, see our Code of Business Conduct, our Global Human Rights Policy. <p>Dedicated training modules that cover our Code and Dignity at Work help uphold our commitment to treating employees with respect and integrity. We expect our suppliers to adhere to these principles, as is outlined in our Partnering with Suppliers Standard.</p> <p>We measure employee engagement as one of our overarching performance measures, as set out in our Annual Report on page 26, using our annual Your Voice survey. Based on the outcomes of this survey and our ongoing engagement programmes, each team develops its own action plan to improve employee engagement and satisfaction.</p> <p>Our HR team routinely reviews our policies and standards to ensure they are sufficiently rigorous and will continue to strengthen our reputation as an employer. This helps us retain our employees while also attracting new people to the business.</p>
402-01 ● Minimum notice periods regarding operational changes	<p>We adhere to the law in countries that define a minimum consultation period and requirements for collective and individual consultation. We also aim to redeploy impacted employees or find suitable alternative employment for them wherever possible. If we cannot do that, we pay severance or redundancy. We also offer outplacement support, which varies by market, to help those who leave Diageo to find another job.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Occupational health and safety

Disclosure	Our response
3-3  Our management approach to occupational health and safety	<p>We are committed to providing a safe and healthy work environment for employees, contractors and visitors, as outlined in our Health, Safety and Wellbeing Policy. We aim to prevent all workplace accidents and illnesses by conducting our business in compliance with applicable health and safety laws and regulations, company standards, policies and best practices. Our leaders are responsible for cascading and implementing occupational health and safety among their direct reports and third parties within their remit. We also expect all employees to take responsibility for their safety and those around them by acting in accordance with our Codes.</p> <p>Our ambition is to have a world-class end-to-end health and safety culture where everyone is safer together when working on site, at home and on the road. We are striving to embed best-in-class leading key performance indicators, systems, technology and standards to enable delivery of world class performance.</p> <p>We maintain Global Risk Management Standards (GRMS) for occupational health and safety, which apply to all our operations and business units. These standards aim to make sure that everyone, everywhere, is safer together when working on-site, at home and on the road.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • <u>Our website:</u> For information about our management approach to health, safety and wellbeing for our employees, contractors and visitors. • <u>Our reports:</u> For more information about how we measure and report on our health and safety data, see the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index. • <u>Our policies and standards:</u> For more information, see our Global Health, Safety and Wellbeing Policy. <p>To track the effectiveness of our approach, our site, market and global functional teams regularly monitor and review occupational health and safety. We report our performance measures to Governance Leadership weekly, to Supply Chain and Procurement Leadership monthly and to the Executive Committee quarterly.</p> <p>Performance trends are monitored closely and intervention activities - such as capability building and improvements to processes with associated investments in systems, technology, assets and resources are implemented as required.</p> <p>More details can be found in the Annual Report on pages 57-58.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Occupational health and safety

Disclosure	Our response
<p>● 403-01 Occupational health and safety management system</p>	<p>We implement our occupational health and safety management system by embedding our risk management standards and through a robust internal assurance programme. At a minimum, all locations must adhere to local legislation; where the Diageo standard is higher, then the locations adhere to the Diageo standard.</p> <p>The system covers our workers and activities across our functions, from procurement, manufacturing and production to marketing, sales and distribution. It includes on-site third-party contractors and third-party logistics providers. All Diageo locations including supply sites, offices, warehouses, visitor and technical centres and commercial facilities are in scope.</p>
<p>● 403-02 Hazard identification, risk assessment, and incident investigation</p>	<p>Through an extensive risk management programme, we assess risk, identify work-related hazards and implement appropriate mitigation measures and programmes. Risk assessments are carried out by cross-functional teams comprised of individuals familiar with specific tasks and supported by a team lead who is trained and competent in carrying out risk assessments. We apply the hierarchy of controls when implementing solutions to eliminate hazards and minimise risks. There are a number of triggers for the review of risk assessments, e.g. a near miss or incident, a change to the process or equipment, or a concern raised by someone on site. Documented risk assessments for a particular area or tasks are shared with those working in the area and carrying out specific tasks to ensure they are aware of the risks and the controls in place to carry out the tasks safely. Within our manufacturing operations, through our tier meeting structures, we communicate that all employees have the freedom to stop a task if they have any concerns that they or other individuals in the vicinity of the task could be injured.</p> <p>A key element to safety at all our locations is hazard reporting. It assists us in identifying and rectifying unsafe conditions or behaviours as well as recognise positive behaviours. Most locations have an electronic system to log hazard cards; these are reviewed on a daily basis and assigned for action. Numbers of hazard cards open and hazard cards closed are monitored through daily or weekly team meetings. Through our Global Health, Safety and Wellbeing Policy, all employees are encouraged to report work-related hazards as soon as possible and remove themselves from work situations they believe could cause injury or ill health. For any employees who are concerned about reprisals we encourage them to raise any concerns through our confidential SpeakUp service.</p> <p>We also have recognition schemes in place to proactively encourage every employee to look after their own and their colleagues' health and safety. Our global learning platform, Diageo My Learning Hub, has tailored guidance about how to report and investigate work-related incidents, how to identify hazards and how to assess risks to determine corrective actions.</p> <p>Incidents with or without injury are investigated by local teams. Incidents meeting the lost time criteria are reported through to the global team within 24 hours and a full investigation to determine root cause and preventive actions is completed within seven days.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Occupational health and safety

Disclosure	Our response
<p>403-03 Occupational health services</p>	<p>Our Occupational Health and Safety strategy aims to create a culture free of work-related injury and illness for workers. Our continued focus on our global risk management standards ensures that health, safety and wellbeing controls are in place. It is mandatory for all employees to complete a medical questionnaire as part of the onboarding process. A health surveillance programme, provided by qualified healthcare professionals, is available to all employees. These services are provided on-site, and employees can access them through their line manager. In the case of an injury or illness (work-related or not), employees have access to confidential advice from independent healthcare professionals to support their return to work. Employees also have access to a number of other support services through our confidential Employee Assistance Programme (EAP).</p> <p>For contractors working at our locations, they are made aware of the hazards through our risk assessments. Where required, Diageo recommends to their employers that they carry out a health surveillance programme similar to what we would have in the area.</p>
<p>403-04 Worker participation, consultation, and communication on occupational health and safety</p>	<p>Our Global Risk Management Standards mandate the use of employee consultation forums, such as safety committees at facility level. The standards also require employees to be involved in risk assessment and change-management processes where they relate to health and safety.</p> <p>Individuals involved in safety incidents, and those with experience of a work area, will actively participate in investigations and support local management teams in the implementation of additional mitigations to protect the workforce.</p> <p>We also continue to use Diageo's Flex Philosophy, developed in 2021, which provides our employees with a framework and principles of working patterns.</p> <p>Our dedicated health and safety internal website and health and safety channel on Diageo My Learning Hub (our internal learning management system) aim to improve health and safety communication, awareness and training across our supply chain.</p> <p>Contractors under our direct control attend daily team meetings where health and safety is discussed, they are trained in our risk assessments, they join hazard spotting walks and they are encouraged to raise any concerns. Where they are involved in an accident or witness an accident, they will support the investigation process in the same way as Diageo employees would.</p> <p>For outsourced operations based at our locations, these contractors will have their own meeting structures and their own forums where they can raise any safety concerns to their own line managers.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Occupational health and safety

Disclosure	Our response
<p>403-05 Worker training on occupational health and safety</p>	<p>All our locations complete a training needs assessment to determine their occupational health and safety training requirements. There are a number of general trainings which are mandatory for all employees while other trainings will be task specific.</p> <p>We train our employees on occupational health and safety through several channels, including:</p> <ul style="list-style-type: none"> • Diageo My Learning Hub, which is a learning management platform our employees can access every day for occupational health and safety capability and awareness content. Some of this training is mandated and assigned to workers and is based on the requirements of their role. • Face-to-face occupational health and safety training, such as manual handling training, forklift truck training and explosive atmospheres training, which is delivered by approved and competent internal and external trainers. • Other specific subject-matter-expert training, delivered through video conferencing. • Where appropriate, training is evaluated throughout the training or at the end of the training using multiple choice type questions. <p>Contractors receive general training in order to access our sites and then specific training on the hazards and risks they will experience in the area of the site that they work. Contractors with Diageo email addresses can access our training portal Diageo My Learning Hub.</p>
<p>403-06 Promotion of worker health</p>	<p>We promote worker health and encourage employees to access local services and systems, on a voluntary basis, through several channels:</p> <ul style="list-style-type: none"> • Our Benefits team facilitates non-occupational medical and healthcare services. We provide optional medical insurance, which is communicated to employees through internal communication channels. • To make wellbeing part of our culture every day, everywhere, we have created the Diageo Wellbeing Philosophy and set up a dedicated intranet site to share information with employees. • On Diageo My Learning Hub, we have developed a Wellbeing channel where employees can find learning materials on physical, mental, social and financial wellbeing and other courses such as on positive drinking behaviours. We have provided all employees with access to the digital mental health app UNMIND and we offer an Employee Assistance Programme. • Our psychological safety employee toolkit aims to foster an environment where everyone can openly speak up, take personal risks and offer opposing views without fear of consequence. • Our Employee Engagement team runs health and wellbeing awareness capability weeks covering subjects including mental health, mindfulness techniques and nutrition. <p>Contractors who have a Diageo email address can access the above wellbeing content on Diageo My Learning Hub, the wellbeing internal website and the psychological safety toolkit.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Occupational health and safety

Disclosure	Our response
<p>403-07 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</p>	<p>We partner with suppliers, in over 100 countries, who work with us and support our mutual commitment to creating the highest-quality products in a sustainable and ethical way. As outlined in our Partnering with Suppliers Standard, we expect our suppliers to meet applicable local and national health and safety laws and regulations, including those related to the design, construction and maintenance of facilities for employees and contract workers. We expect suppliers to comply with our Global Health, Safety and Wellbeing Policy and Global Standards as well as adhering to, where applicable, Diageo's Life Saving Rules which define the core expectations and behaviours to adopt to ensure a world-class health and safety culture and working environment. We expect our suppliers to train their people to required health and safety competence levels to enable them to conduct their work-related tasks and activities in a safe, healthy and responsible manner. This should also include wellbeing-specific training on areas like mental health.</p> <p>We build core health and safety requirements and performance measure deliverables into our third-party service-level agreements (SLAs). This helps us prevent and mitigate significant occupational health and safety impacts directly linked to our operations, products or services through our business relationships. We regularly meet third-party service providers to review their delivery against performance measures. We will also withdraw from business relations with service providers that put the health and safety of employees at risk or that do not consistently deliver the performance measures within the SLAs.</p>
<p>403-08 Workers covered by an occupational health and safety management system</p>	<p>All our employees (full-time or part-time) as well as all contractors must comply with the mandatory requirements of our Global Health, Safety and Wellbeing Policy, as well as adhere to all relevant global risk management standards. Adhering to these standards and requirements is continually assessed by internal audit. In this fiscal, on a global basis, 2,761 self-assessments were carried out on our Health and Safety Global Standards.</p> <p>Where appropriate, our sites are accredited to the ISO 45001 (or equivalent) Occupational Health and Safety Management System Standard and are regularly audited against this standard by an approved third party.</p> <p>No employees or contractors are excluded from the occupational health and safety management system. Health and safety performance is monitored through regular site, regional and global business performance meetings.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Occupational health and safety

Disclosure	Our response
403-09 Work-related injuries	<p>In line with industry best practice, we include our own employees plus temporary staff and contractors who work under our direct supervision in our accident metrics.</p> <p>Lost time accident (LTA) An LTA in Diageo is defined as any work-related incident, involving injury or illness, where a person is unable to conduct their routine and meaningful tasks and a healthcare professional or Diageo healthcare professional recommends one or more days away from work (excluding the day of injury or onset of illness).</p> <p>Total recordable accidents (TRA) A TRA is the sum of in-scope, work-related accidents including fatalities, lost time accidents, restricted work cases and medical treatment cases excluding only those that require simple first-aid treatment.</p> <p>Severe injury and fatality prevention All business units are required to conform to our Global Severe and Fatal Incident Prevention Programme. This programme aims to eliminate the risks that lead to severe or fatal incidents and ensures suitable and sustainable controls are in place. Local and regional teams make sure employees and workers are trained on these requirements and conduct frequent, robust self-assessment audits to measure ongoing compliance to this mandatory programme.</p> <p>Accident rates Our first metric, lost time Accident frequency rate (LTAFR) per 1,000 full-time equivalents (FTEs) was 1.06, an increase when compared with fiscal 23. This means our overall global target of less than or equal to 1.0 was not achieved this year. The increase is driven by an increased number of lost time accidents in Scotch and North American markets. Our second metric, total recordable accident frequency rate (TRAFR) measures the number of recordable accidents per 1,000 workers. Our aim is to achieve a TRAFR performance of lower than 3.5. In fiscal 24, TRAFR was 1.97 accidents per 1,000 workers, reduced from 2.06 in fiscal 23.</p> <p>This year, there were no employee (including contractors under our direct supervision) fatalities on or off our sites and no contractor fatalities on our sites.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Occupational health and safety

Disclosure

Our response

Safety data by region (fiscal 24)

Region	LTAFR	TRAFR	Fatalities ¹	Severity rate ²	Independent contractor LTAs ³
North America	1.80	3.75	0	76.40	0
Europe	1.59	3.30	0	48.50	9
Asia Pacific	0.76	0.85	0	7.40	0
Latin America and Caribbean	0.49	1.89	0	65.10	1
Africa	0.63	1.25	0	44.10	6
Diageo (total)	1.06	1.97	0	40.60	16

1. Fatalities include any employee work-related fatality arising in their day-to-day work environment, or any work-related fatalities occurring to third parties and contractors (non-FTEs), while on our premises.
2. Severity rate is number of days lost per 1,000 employees and is a measure of the seriousness of the incident and consequent absence from work.
3. An LTA rate is not reported for independent contractors because of the difficulty and administrative burden of accurately recording headcount. Performance is measured by an absolute incident number.

Lost-time accident frequency rate per 1,000 full-time employees¹

Region	2020	2021	2022	2023	2024
North America	0.31	1.14	1.85	0.36	1.80
Europe	1.03	2.44	1.09	1.59	1.59
Asia Pacific	0.30	0.33	0.59	0.52	0.76
Latin America and Caribbean	1.56	1.06	0.61	1.85	0.49
Africa	0.36	0.25	1.01	0.15	0.63
Diageo (total)	0.60	1.03	0.92	0.91	1.06

1. Number of accidents per 1,000 employees and directly supervised contractors resulting in time lost from work of one calendar day or more.

Please refer to the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information about how data has been compiled.

Work-related injuries

	2020	2021	2022	2023	2024
LTIFR (per million hours worked)	0.300	0.510	0.460	0.450	0.530
LTIR (per 200,000 hours worked)	0.060	0.102	0.092	0.091	0.106

We investigate all accidents and use data-driven trending to determine focus areas where interventions may be required. Cuts/lacerations across our own employee group as well as the contractor group was the primary incident type in last fiscal. Slips/trips and falls, while significantly reduced across our contractor group, continues to be an issue among our own employees and as a result we have included it as one of our five 'Strive for Zero' rules. In fiscal 24, we categorised accidents according to the seriousness of the injuries sustained (six categories, i.e. amputation, concussion, crushing, fracture, hospitalisation and second/third degree burns) - 22% of all accidents have been categorised as resulting in 'serious injuries'.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Occupational health and safety

Disclosure	Our response
403-10 Work-related ill health	<p>Acute onset of occupational illness is included in our LTA definition, however, occupational disease rates are not disclosed because of regional variances in capabilities, national practice and regulatory barriers which prevent the recording or disclosure of many communicable diseases.</p> <p>Omissions: data on work-related ill health at a global level.</p> <p>Reason: information not available/incomplete.</p> <p>Explanation: we do not collate data on work-related ill health at a global level.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Training and education

Disclosure

Our response

3-3



Our management approach to occupational training and education

We place great emphasis on continuous learning as a means of developing our people – it is a core pillar of our people strategy. Our vision is to support people to be better, providing the knowledge, skills, experiences and communities that allow them to grow themselves. This allows them to achieve a fulfilling and meaningful impact on Diageo's performance and their career development, all in an environment that is distinctive and inclusive.

Our approach is reflected in key global policies. In our [Global Human Rights Policy](#), we recognise the importance of learning by committing to providing our employees with learning and development opportunities to enhance their skills and progress in their careers.

In our [Global Health, Safety and Wellbeing Policy](#), we commit to training and motivating our employees to work safely and responsibly. We provide comprehensive learning and development opportunities to equip each individual with the knowledge and skills required to advance their careers and take proactive steps to prevent injuries and illnesses while supporting their physical, mental and emotional wellbeing.

Through learning and training needs analyses, we identify the skills, knowledge and behavioural needs required of individuals and teams for Diageo to win now and in the future.

We leverage our performance management process to determine development opportunities for every employee across the organisation. We evaluate employees' performance against annual goals and identify where they may benefit from our extensive range of internal and external training programmes. Additionally, each function assesses its own training needs based on its performance imperatives, providing additional insights to help guide employees to the right training, at the right time.

Understanding Diageo's capabilities gaps and needs helps us craft and execute targeted strategies, in partnership with our markets and functions, across Talent Strategy, Organisation Effectiveness, Talent Acquisition, Reward and Learning and Development.

In fiscal 24, we have focused on company-wide capability priorities, as agreed with the Executive Committee, that include digital upskilling and reskilling, ESG upskilling, commercial upskilling and leadership and people management upskilling. See GRI 404-02 below for more detailed information.

We have a well-established process for assessing and measuring the impact of training programmes, with regular reviews of take-up, and impact, specifically relating to our strategic capability requirements. Our Learning Centre of Excellence is responsible for driving this activity and assessing progress.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed





Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Training and education

Disclosure	Our response
<p>404-01 Average hours of training per year per employee</p> 	<p>We track employee training hours - from both global and local programmes. We have shifted to a more targeted approach to learning, helping to close skill gaps and develop new capabilities in emerging business priorities. This year, the system recorded a total of 635,889 learning hours, with each of our employees on Workday receiving an average of 24 hours of targeted learning. This represents an increase in learning hours per employee compared with the previous fiscal year (22 hours) - reflecting the acceleration of training focused on priority skills, such as coaching, digital, and on the 'dial-up behaviours'.</p> <p>Omissions: training hours per employee, by gender, training hours from non-Workday markets</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: gender is a sensitive data field that is not included in our training measurement systems. To protect the integrity of sensitive data, we collect it only when absolutely necessary. There is no current use case for training data to be analysed by gender. Data is typically analysed and provided by region, management level or by topic in case of Workday markets.</p> <p>These figures don't represent the full scale of development opportunities that Diageo's continuous learning culture provides. They include access to a broad range of training programmes, and offer a diverse range of learning formats, including online courses, micro learning modules, coaching, mentoring and on-the-job training, catering to different learning styles and preferences. Cultivating a continuous learning culture fosters innovation, agility and a competitive edge in the rapidly changing marketplace that we operate in.</p>
<p>404-02 Programs for upgrading employee skills and transition assistance programs</p> 	<p>We want our people to be able to access learning that is recognised and valued for the performance impact it drives 'today' and as a critical enabler of everyone's growth and development.</p> <p>We achieve this through our three core strategic pillars:</p> <ol style="list-style-type: none"> Promote a continuous learning culture: to facilitate personalised, micro-learning moments every day, where individuals take ownership for their learning needs, supported by peer learning opportunities and enabled by our learning platform, Diageo My Learning Hub. While employees own their learning, line managers provide important guidance and support via regular development check-ins using our Partners for Growth process. Developing targeted learning programmes: that address priority skill gaps, using a blend of online modules, instructor-led workshops (live or virtual) and on-the-job training. Utilising Diageo My Learning Hub to curate and deliver personalised learning journeys based on individual roles and business needs. Ensure learning experiences are strategically targeted to equip employees as they navigate key transitions throughout their career journey at Diageo, for example: <ul style="list-style-type: none"> Onboarding: An immersive programme that combines micro-learning modules with opportunities to connect new hires with colleagues who can explain company culture, help navigate priority tasks and make connections with relevant networks. Providing learning pathways and certification programmes to help employees adapt to changing business needs - acquiring new skills as their roles evolve in response to emerging technologies, customer needs and consumer preferences. <p>Our learning and development platform, Diageo My Learning Hub, contains a library of more than 20,000 external learning resources that complement our own proprietary learning content and provides our people with access to best-in-class learning on any device, anywhere, at any time.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Training and education

Disclosure	Our response
404-03  Percentage of employees receiving regular performance and career development reviews	<p>Most of our employees use Diageo My Learning Hub to supplement their personal development via individual development plans and performance goals, as part of their Partners for Growth (P4G) appraisal. Diageo My Learning Hub also supports leadership development programmes such as Impact, which in fiscal 24 was focused on enhancing coaching skills across our people manager population (more than 1,100 trained this year) by blending online learning with attendance at virtual or in-person expert-led masterclasses.</p> <p>In fiscal 24, 71% of our employees received regular performance reviews.</p> <p>Our performance and talent management processes encourage managers and employees to have regular meaningful performance and development conversations. Setting clear performance and development goals and discussing achievements against these goals on a regular basis is key for growth - both for our people and the business. We emphasise both the specific results achieved ('the what') and the manner in which they are achieved ('the how') in our performance and development conversations to ensure we take a holistic view of performance and encourage the right behaviours when delivering outcomes.</p> <p>Omissions: data by gender and employee category.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: performance management processes in some parts of the world (especially in some of our supply roles), are managed outside Workday, our HR information management system. In some cases, markets follow locally defined or required guidelines. As described in GRI 404-01, we do not collect data by gender unless there is strong business case for doing so.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Diversity and equal opportunity

Disclosure	Our response
3-3 ● Our management approach to diversity and equal opportunity	<p>We are committed to creating the most inclusive and diverse culture possible, not just because it's the right thing to do, but because we believe this commitment helps us to recruit and retain the best employees, achieve better performance and have a greater impact on society.</p> <p>We are committed to supporting our people at various life stages in their careers while removing financial barriers, which is crucial to ensuring sustainable communities and economies. For example our Global Family Leave Policy, Thriving through Menopause, UK Carer's Leave Policy and Flexible Working and Wellbeing philosophies support our people to make important decisions during 'life moments' without worrying about financial implications of time off. Our Global Human Rights Policy ensures that there is no discrimination and actively prevents any form of harassment.</p> <p>We partner with our Business and Employee Resource Groups (BRGs and ERGs) who represent and share ideas, views and lived experiences, that help us take action in the development and implementation of policies and guidelines that support our people. Please see the Resource Groups at Diageo section of our website. Internally we communicate new policies and existing amendments to all impacted employees through email, online channel engagement and people manager communications, alongside awareness and education sessions. Externally we continue to share news of our policies and guidelines on our website to allow us to attract future talent, and ensure our stakeholders understand our ambitions as we enhance our inclusive culture.</p> <p>To track the effectiveness of our approach to diversity and equal opportunity, we monitor a number of inclusion and diversity ambitions each month, which our Executive Committee reviews each quarter. We have directly linked our senior leader long-term incentive plan awards to delivering these ambitions. We also keep track of our employees' experience of diversity through our annual Your Voice survey and regular Executive listening sessions with our BRGs and ERGs. For an overview of our leading policies and guidelines see the Champion inclusion and diversity section of our Annual Report on pages 59-60, and for information on how we calculate diversity and equal opportunity performance, see the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index.</p> <p>In our industry, women have been historically underrepresented in manufacturing and STEM (science, technology, engineering and mathematics) roles. However, we are dedicated to changing this narrative to create an industry that is truly diverse and inclusive through initiatives like graduates, apprenticeships, returnships and scholarships.</p> <p>As advertisers of beloved brands worldwide, we recognise our ability to shape culture through our advertising, content, partnerships and suppliers. We are committed to promoting diversity by increasing the representation of women and ethnically diverse directors who work on our advertising. To support women re-entering the industry after career breaks, we partner with Creative Equals on a returner scheme in the UK, North America and India.</p> <p>We are also committed to supporting people with career paths in hospitality, through Learning for Life and our Diageo Bar Academy, where women are proportionately represented. We believe in having a diverse supply chain that reflects our inclusion and diversity values. We work with diverse suppliers and help them become accredited with advocacy organisations, which creates opportunities for them within our business. More details can be found in the Annual Report on pages 59-60.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Diversity and equal opportunity

Disclosure	Our response
405-01 Diversity of governance bodies and employees	<p>The percentage of female leaders globally is 44% inclusive of our Executive Committee while the percentage of ethnically diverse leaders globally stands at 46%. In addition, our Board composition is 70% female and 40% ethnically diverse. More employee profile information by gender is included in the Our people and culture section of our Annual Report on page 56.</p> <p>We strive to cultivate a diverse leadership group, both in terms of nationality and ethnic background. To achieve this, we encourage leaders to move between markets in which we operate, alongside local hiring and development, across our global operations. Our leadership and talent programmes are structured to promote a balanced intake of talent across a wide spectrum of markets, and this is reflected in the vibrant mix of 112 different nationalities at Diageo.</p> <p>Omissions: employee profile information by age and specific group.</p> <p>Reason: not applicable.</p> <p>Explanation: leadership is analysed in further detail in the Annual Report. Membership of other groups, such as those described above, is not typically analysed for additional insight.</p>
405-02 Ratio of basic salary and remuneration of women to men	<p>Omissions: ratio of basic salary and remuneration of women to men.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: given the complexity of our operations, we don't currently collect this data at a global level, however, we have been reporting our gender pay gap report in our Diageo Great Britain and Diageo Scotland businesses for seven years. In our most recent 2023 Gender Pay Gap Report, the headline figures were a combined mean hourly pay gap of (12.9)% and combined median hourly gender pay gap of (6.6)% in favour of women, across our UK businesses.</p> <p>Our gender pay gap reports can be found on our website.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Non-discrimination

Disclosure	Our response
3-3  Our management approach to non-discrimination	<p>All our employees have the right to expect that their human identity and dignity will be respected in the workplace, and we reject any form of discrimination.</p> <p>Further information:</p> <ul style="list-style-type: none"> • Our policies and standards: For information on our approach to non-discrimination, please see our Human Rights Global Policy. We also hold our suppliers accountable to the values set out in our Human Rights Global Policy, as described in our Partnering with Suppliers Standard. This is a contractual requirement. • Our website: For information about our human rights governance process, see the Doing business the right way section of our website. • Our reports: See the Doing business the right way section of our Annual Report on pages 53-54 for more information. <p>Our Dignity at Work Policy sets out the responsibility of each of us to demonstrate the highest standards of personal integrity in our behaviour, in line with our values. Our Dignity at Work e-learning module is also available in 17 languages and has been adapted in line with local legislation and cultures.</p> <p>We ensure adherence to our non-discrimination policies through internal review and in response to feedback received through formal, external processes. Our evaluation includes assessment of our SpeakUp data and other engagement mechanisms, such as through our Human Resources (HR) Business Partners who provide HR services to our various departments.</p> <p>We take breaches of our Dignity at Work Policy seriously and we follow up with appropriate disciplinary measures. These are determined by local disciplinary committees and overseen centrally by a member of the Global Business Integrity or Employee Relations teams to ensure consistency of approach and outcomes.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Non-discrimination

Disclosure	Our response
<p>406-01</p> <p> Incidents of discrimination and corrective actions within direct operations</p>	<p>Measures are in place to manage and monitor allegations of discrimination. The Dignity at Work Policy remains the cornerstone of Diageo's commitment to identify and challenge any form of discriminatory behaviour wherever it may happen within the organisation, empowering and supporting colleagues to speak up if they witness any activity of concern.</p> <p>This year 47 allegations relating to discriminatory behaviour were reported via SpeakUp, of which four were found to be substantiated. These were all internal matters and did not involve any suppliers or external parties.</p> <p>Per Diageo's zero-tolerance approach to discrimination, all cases were reviewed via a final report sent to decision makers. Appropriate remedial activities were undertaken in response including, where necessary, disciplinary action. Remediation plans implemented, where appropriate, for the four substantiated cases included coaching, training and policy review. Completion of remediation plans was tracked via investigation case leaders to ensure resolution. All four substantiated cases are now closed with appropriate action taken.</p>
<p>Suppliers at significant risk for incidents of discrimination and corrective actions</p>	<p>Our four-pillar ethical audits are used to identify incidents of discrimination and other non-compliances in our supply chain, as described in our Global Human Rights Policy. When such incidents are identified, we follow up with corrective action plans for suppliers to resolve open incidents.</p> <p>Suppliers</p> <p>Total number of discrimination non-compliances within our supply chain: 21</p> <p>Change versus previous fiscal year: +6</p> <p>Total number of non-compliances remediated and verified as closed: 12/21</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Freedom of association and collective bargaining

Disclosure	Our response
3-3  Our management approach to freedom of association and collective bargaining	<p>We have a strong commitment to industrial dialogue, supporting the right of employees to join or not join a trade union, as outlined in our Global Human Rights Policy. We also expect this of our suppliers, as outlined in our Partnering with Suppliers Standard. This is a contractual requirement.</p> <p>We aim to maintain regular and open dialogue with unions over issues of common interest. We also believe in the same principles for our suppliers.</p> <p>We use internal reviews and our supplier assessment process to evaluate our approach. Reviews include input from trade unions and any feedback we receive through SpeakUp and other engagement mechanisms. As indicated within our Partnering with Suppliers Standard, we expect our suppliers to allow their employees freedom of association and collective bargaining in accordance with applicable laws and regulations. This includes providing the right to join a trade union and prohibiting any intimidation, harassment or violence against any union members and representatives.</p> <p>In fiscal 24, as part of our commitment to assess human rights compliance, our direct operations implemented a self-assessment questionnaire to review human rights risks, specifically including our approach to freedom of association and collective rights. Where any concerns are identified, this enables us to introduce corrective action plans as may be appropriate.</p> <p>In countries where the right to freedom of association is restricted by law, we support the development of alternative means of representing employees' interests, by investing in individual consultations.</p> <p>We believe our commitment helps to enhance constructive dialogue in the workplace, and achieves a peaceful, inclusive and democratic participation of employee representatives, resolves conflicts peacefully and effectively and enhance business performance. A failure to respect freedom of association or collective bargaining within our organisation and our supply chains could pose serious risks to our employees' human rights, lead to industrial actions and impact the reputation and performance of our business.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our policies and standards: Details of our approach to freedom of association and collective bargaining are set out in our Global Human Rights Policy and in the Human Rights section of our Partnering with Suppliers Standard. • Our website: For information about our human rights governance process, see the Doing business the right way section of our website.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Freedom of association and collective bargaining

Disclosure	Our response
<p>407-01 Operations in which the right to freedom of association and collective bargaining may be at risk</p>	<p>In fiscal 24, there has been a focus on our supply sites, involving a detailed self-assessment questionnaire process that includes scrutiny of compliance with employee rights relating to freedom of association and collective bargaining. The process has not revealed any significant or material concerns.</p> <p>Additionally, as part of our broader commitment to assessing human rights compliance in fiscal 24, all our direct operations implemented a self-assessment questionnaire to identify any potential violations or significant risks to human rights, including workers' rights to exercise freedom of association or collective bargaining. Where any significant or material risks are identified, corrective action plans, as may be appropriate, will be implemented.</p> <p>In countries where the right to freedom of association is restricted by law, we support the development of alternative means of representing employees' interests, by investing in individual consultations.</p> <p>We respect our employees' choice to join or not join a trade union or other organisations of their choice, and to bargain collectively in support of their mutual interests. We support rights to exercise freedom of association and collective bargaining by taking appropriate measures to prohibit any form of intimidation or retaliation against workers seeking to exercise their right, by reviewing and refreshing our Global Human Rights Policy on an annual basis.</p> <p>We also investigate allegations of violations or risks to freedom of association or collective bargaining as and when they may arise, and take remedial action, as appropriate. In fiscal 24, we are not aware of any direct operations that have significant risks concerning issues related to freedom of association and collective bargaining.</p>
<p>Suppliers in which the right to freedom of association and collective bargaining may be at risk</p>	<p>During fiscal 24 we conducted a saliency assessment of 15 prioritised supply chains across raw materials, packaging, logistics, marketing, manufacturing and indirects. Our supply chains are prioritised based upon inherent risk, materiality and spend data. We assessed our impact on these supply chains for salient risk based upon scope (number of individuals affected), scale (gravity of impact on human rights), remediability (our ability to address and remedy any harm caused) and the likelihood of the impact occurring. Within these priority supply chains, we have not identified freedom of association to be a salient risk.</p> <p>We identify issues of non-compliance relating to freedom of association and collective bargaining through our four-pillar ethical audits. We have key performance indicators in place in relation to the closure of any non-compliances identified; this helps ensure we remain effective with our actions taken. When issues are identified, we are following up with the suppliers as part of their corrective action plans to ensure open non-compliances are resolved.</p> <p>Further information on priority supply chains can be found in GRI 3-3 Supplier Social Assessment.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Child labour

Disclosure	Our response
3-3  Our management approach to child labour	<p>We act in line with the United Nations Guiding Principles on Business and Human Rights. We do not permit child labour within our operations or those of our suppliers or business partners.</p> <p>We will not employ anyone under the age of 16. Employees under the age of 18 will not perform any hazardous work. We respect and comply with all relevant local and international laws regarding minimum age for employment and we verify identification documents prior to hiring.</p> <p>We assess our activities for risk of the worst forms of child labour, as defined by the International Labour Organization's Worst Forms of Child Labour Convention, 1999 (No. 182, Article 3). We investigate allegations as and when they come up, and take remedial action, involving relevant local agencies as appropriate. We assess child labour risk through our own farm visits and ongoing due diligence processes.</p> <p>In fiscal 24, as part of our commitment to assess human rights compliance, our direct operations applied a self-assessment questionnaire to review human rights risks, specifically including child labour risks. We assessed child labour risk by asking questions related to having ever found workers that were under minimum legal working age and the measures that are taken to verify the age of workers prior to hiring. Through this assessment we are not aware of any direct operations that have significant risks concerning issues related to child labour. Where the assessment suggests our measures can be strengthened to better identify and prevent risk, this enables us to introduce action plans as may be appropriate.</p> <p>We have identified child labour as a potential risk within our agricultural supply chain, particularly in Africa. To address this, we have developed a child protection toolkit to educate our own people on the risks to children's safety from working on small farms, including what activities are unacceptable and pose a risk to their development. We build similar awareness within farming communities through our training programmes. Through our human rights due diligence processes we continue to evaluate ongoing risk, deliver mitigation plans, train our teams and assess the effectiveness of our approach.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our reports: Our Doing business the right way section in the Annual Report for more information on our management approach to human rights. • Our policies and standards: Details of our approach to child labour are set out in our Human Rights Global Policy. • Our website: For information about our human rights governance process, see the Doing business the right way and Responsible sourcing sections of our website. <p>More details on the human rights assessment can be found in the Annual Report on pages 53-54.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Child labour

Disclosure	Our response
408-01  Operations at significant risk for incidents of child labour	Through our assessments of internal operations, we have not identified any risk of the worst forms of child labour, as defined by the International Labour Organization's Worst Forms of Child Labour Convention, 1999 (No. 182, Article 3). We will investigate allegations as and when they occur and take appropriate remedial action, involving relevant local agencies as appropriate.
Suppliers at significant risk for incidents of child labour	<p>As indicated within our Partnering with Suppliers Standard, we expect our suppliers to adhere to applicable laws and regulations concerning minimum working age and to protect employees under 18 by allowing them access to education, limiting employment during typical resting hours and ensuring no exposure to working conditions that are likely to jeopardise their health and safety or morals.</p> <p>Children and young workers is a key element of the SMETA (Sedex Members Ethical Trade Audit) audit methodology and age verification takes place through the review of documents including policies and procedures in place to manage child labour. We have key performance indicators in place in relation to the closure of any non-compliances identified, which helps ensure we remain effective with our actions taken. When issues are identified, we follow up with the suppliers as part of their corrective action plans to ensure open non-compliances are resolved.</p> <p>During fiscal 24 we conducted a saliency assessment of 15 prioritised supply chains across raw materials, packaging, logistics, marketing, manufacturing and indirects. Our supply chains are prioritised based upon inherent risk, materiality and spend data. We assessed our impact on these supply chains for salient risk based upon scope (number of individuals affected), scale (gravity of impact on human rights), remediability (our ability to address and remedy any harm caused) and the likelihood of the impact occurring. Across our 15 priority supply chains, we have identified child labour to be a potential high risk in some of our key raw materials (sugar and sweeteners, cereals, grapes, flavours and botanicals) as well as packaging components (glass, cartons and corrugate, labels and sleeves, cans, closures and crowns) and within manufacturing (chemicals and gases, barrels and kegs). We are working with our supply chain partners, industry bodies, NGOs and peers to create action plans for mitigating any risks identified. This also includes the development of a child protection toolkit for both farming supply networks and our employees involved with the supply chain.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed




Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Forced or compulsory labour

Disclosure	Our response
3-3  Our management approach to forced or compulsory labour	<p>We act in line with the United Nations Guiding Principles on Business and Human Rights. We do not permit forced or compulsory labour within our operations or those of our suppliers or business partners.</p> <p>We do not permit involuntary servitude for our employees or within our suppliers or business partners. This includes the consideration of debt bondage and unacceptable financial costs forced upon workers. We respect and comply with all relevant local laws regarding voluntary employment. We are committed to protecting the rights of all workers in our value chain, including migrant workers who may be only temporarily present.</p> <p>In fiscal 23, as part of our commitment to assess human rights compliance, our direct operations applied a self-assessment questionnaire to review human rights risks, specifically including forced or compulsory labour risks. We assessed forced or compulsory labour risks by asking questions such as workers having the right to refuse to work overtime and having the freedom to leave employment when a contract expires. Through this assessment we are not aware of any direct operations that have significant risks related to forced or compulsory labour. Where the assessment suggests our measures can be strengthened to better identify and prevent risk, this enables us to introduce action plans as may be appropriate.</p> <p>Through our human rights impact assessments, we have reviewed higher-risk areas of our value chain network, including agricultural supply chains in Africa, Brazil, Guatemala, India, Mexico, Turkey and the United Kingdom and are not aware of any operations that have significant risks concerning issues related to forced or compulsory labour. If any allegations are reported, we will investigate and take remedial action, involving relevant local agencies as appropriate. More details are included in our submission in the United Kingdom's Modern Slavery Statement. We will continue to assess forced or compulsory labour risk through our ongoing due diligence processes. We will investigate allegations as and when they occur and take remedial action, involving relevant local agencies as appropriate.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our reports: Our Doing business the right way section in the Annual Report for more information on our management approach to human rights. • Our policies and standards: Details of our approach to forced or compulsory labour are set out in our Human Rights Global Policy. • Our website: For information about our human rights governance process, see the Doing business the right way and Responsible sourcing sections of our website. <p>More details can be found in the Annual Report on pages 53-54.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Forced or compulsory labour

Disclosure	Our response
<p>409-01 Operations at significant risk for incidents of forced or compulsory labour</p>	<p>Through our assessments on internal operations, we have not identified any significant risks related to forced or compulsory labour. We will investigate allegations as and when they occur and take appropriate remedial action, involving relevant local agencies as appropriate.</p>
<p>Suppliers at significant risk for incidents of forced or compulsory labour</p>	<p>As indicated within our Partnering with Suppliers Standard, we expect our suppliers to strictly prohibit the use of forced labour, including debt bondage and any financial burdens on workers by withholding wages or paying expenses such as recruitment fees.</p> <p>Workers must not be restricted with their movement, for example, the retention of identification documents and bank payment cards, and workers should not be forced to use company-provided accommodation.</p> <p>Within our supply chain, incidents of non-compliance raised under Employment Is Freely Chosen are captured through four-pillar ethical audits. We have key performance indicators in place in relation to the closure of any non-compliances identified and this helps ensure we remain effective with our actions taken. When issues are identified, we are following up with the suppliers as part of their corrective action plans to ensure open non-compliances are resolved.</p> <p>During fiscal 24 we conducted a saliency assessment of 15 prioritised supply chains across raw materials, packaging, logistics, marketing, manufacturing and indirects. Our supply chains are prioritised based upon inherent risk, materiality and spend data. We assessed our impact on these supply chains for salient risk based upon scope (number of individuals affected), scale (gravity of impact on human rights), remediability (our ability to address and remedy any harm caused) and the likelihood of the impact occurring. Across our 15 priority supply chains, we have identified forced labour to be a potential high risk in some of our key raw materials (sugar and sweeteners, cereals and grapes) as well as packaging components (glass, cartons and corrugate, labels and sleeves, cans and closures and crowns), point-of-sale merchandising, road transportation and within manufacturing (chemicals and gases, barrels and kegs). We are working with our supply chain partners, industry bodies, NGOs and peers to create action plans to mitigate any risks identified.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Security practices

Disclosure	Our response
3-3 ● Our management approach to security practices	<p>Our Corporate Security Policy outlines our four pillars of security: people security, physical security (including of our products and assets), investigations and business continuity and crisis management. This policy is underpinned by a number of minimum standards and guidelines that every market and site are required to adhere to.</p> <p>We operate security programmes in all markets and at all sites, with nominated and trained individuals responsible for the programme. The level of security in each market and at each site is determined by its size, risk levels and any local requirements.</p> <p>Markets and sites are supported by a central team of security experts, who have regional and functional responsibility for security delivery across all our markets and the four pillars. This team runs global training, such as our online personal safety training, oversees global security communications and awareness and helps to ensure we satisfy external regulations and requirements.</p> <p>We take a risk-based approach to security, with a global programme to identify and assess risks and produce mitigation plans. We review security risks routinely and communicate with our people around the world to raise awareness. The Executive Committee, the Audit Committee and the Audit and Risk Committee review our approach and relevant risks as part of our corporate risk management programme.</p> <p>Market adherence to our corporate security policies and standards is continually monitored through reviews and audits. Global corporate security policies and standards are also subject to regular review. All updates or adjustments are communicated clearly to markets and sites.</p> <p>The Corporate Security team regularly benchmarks its practices and performance with other multinationals. It also liaises closely with government security experts through its membership of organisations such as the UK government's National Protective Security Authority, the US State Department's Overseas Security Advisory Council and the International Security Management Association.</p>
410-01 ● Security personnel trained in human rights policies or procedures	<p>100% of our internal Corporate Security team have been trained on our 'Human Rights Principles for Corporate Security', which sets out the key principles and requirements to help ensure that human rights are upheld and respected wherever we implement security operations to protect the business. These principles complement the overarching Diageo Global Human Rights Policy, and are also based upon, and consistent with, the internationally recognised 'Voluntary Principles on Security and Human Rights'.</p> <p>This training does not apply to third-party organisations providing security personnel. Third-party security personnel are contractually required to adhere to our Code of Business Conduct, which incorporates our Human Rights Global Policy. That policy requires our third-party suppliers to adopt similar human rights standards and operate in line with our Partnering with Suppliers Standard, which also includes express reference to compliance with human rights conventions.</p>

Rights of indigenous peoples

Disclosure	Our response
411-01 ⊗ Incidents of violations involving rights of indigenous peoples	We do not believe this is material to our business. We do, however, consider land rights in our human rights impact assessments.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed










Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Local communities

Disclosure	Our response
3-3  Our management approach to local communities	<p>Our social impact strategy addresses our actual or potential positive and negative impacts on our employees, supply chains and communities. We manage potential negative impacts through our human rights framework (see page 54 of our Annual Report).</p> <p>Our positive impact programmes aim to provide opportunities for those in our communities to grow as we grow. We focus our efforts where we can make the biggest impact – providing access to skills and resources in communities where we live, work, source and sell our products. This includes providing:</p> <ul style="list-style-type: none"> • Water, sanitation and hygiene (WASH) to communities around our production sites or local sourcing areas in water stressed areas. • Business and hospitality skills to underrepresented groups to increase their employability and improve livelihoods. • Agricultural skills and resources to our smallholder farmers to strengthen their resilience and economic prosperity in our most important ingredient-sourcing landscapes. <p>All of our programmes strive to be inclusive by design and tackle barriers to equal representation and participation of women and other underrepresented groups (see page 60 of our Annual Report).</p> <p>Delivery of our community programmes is managed by various functions within the business, including the Corporate Relations, Supply and Procurement teams.</p> <p>In fiscal 23, we reached our 2030 target for WASH, meaning all nine of the markets included in our target invested in WASH projects since 2020. In fiscal 24 we maintained our commitment, investing in 23 WASH projects in nine countries and bringing safe water and sanitation to 128,000 people.</p> <p>Learning for Life, our business and hospitality skills programme for people from underrepresented groups reached 36,000 people in 36 countries and territories in fiscal 24.</p> <p>Across our key Africa sourcing regions and farming communities in Kenya, Ghana, Nigeria and Uganda, we have delivered seeds and inputs to smallholder farmers and are working alongside development and agronomic partners to improve farmer resilience. In fiscal 24 we delivered good agricultural practice training to 11,000 smallholder farmers. Cumulatively we reached 24,000 in total and continued to digitise smallholder value chains to collect farm-level data and use insights into the development of our programmes.</p> <p>See the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information on how we measure and report on our progress.</p>
413-01  Operations with local community engagement, impact assessments, and development programs	<p>We run community impact programmes in 83% of our markets. Before we commence a programme we seek insights from relevant data, take guidance from our expert NGO partners and conduct stakeholder interviews with local communities to ensure we design a programme that meets their needs. We also carry out detailed research when the programmes are complete to understand their full impact: for example, in fiscal 24 we assessed the effectiveness of our water, sanitation and hygiene (WASH) programmes in Africa. In fiscal 23 we conducted an impact assessment of Learning for Life, our business and hospitality training programme for underrepresented groups in Latin America and the Caribbean. Similar studies have assessed the impact of our smallholder farmer programmes in Africa. We use the findings and recommendations from these assessments to continuously improve our programmes.</p>
413-02  Operations with significant actual and potential negative impacts on local communities	<p>The social impacts of our operations are discussed in our Annual Report on pages 48-60. This includes our assessment of salient risks, vulnerable groups, high-risk markets and high-risk supply chains as well as the data and tools used to inform those assessments.</p> <p>Omissions: the location of operations and the significant actual and potential negative impacts of operations.</p> <p>Reason: information unavailable/incomplete.</p> <p>Explanation: we discuss significant actual and potential negative impacts on local communities at global and local levels but do not collate and report this by specific location.</p>
How we have met each disclosure	 Fully disclosed as outlined by the GRI Sustainability Reporting Standards  Partially disclosed and missing at least one required indicator  Not disclosed  Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Supplier social assessment

Disclosure

Our response

3-3



Human rights in our supply chain

Many of our real and potential social impacts are found in our supply chain. We are aware of potential negative social impacts that can occur within our supply chain and have designed our due-diligence programme to identify, mitigate and remedy these if we have caused the impact or work with partners to address this when we deem we have contributed to the impact. These impacts can affect labour and working conditions, occupational health and safety as well as other human rights impacts including forced labour and child labour. From within our policies, our [Partnering with Suppliers Standard](#) sets out the minimum social, ethical and environmental standards we require suppliers to follow as part of their contract with us. Those standards set out our commitment to acting in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and with international standards set out in the eight core International Labour Organization conventions and recommendations.

Our [Responsible Sourcing](#) programme enables us to identify, assess and manage social and ethical impacts in our supply chain. All Tier 1 suppliers go through an initial screening process that considers category risk, country risks and level of spend. Where the process flags a potential risk, the supplier must register with Sedex (Ethical Data Platform) and complete a Sedex self-assessment questionnaire. Third-party audits are conducted for high-risk suppliers every three years assuming all non-compliances are addressed. Audits follow the Sedex Members Ethical Trade Audit (SMETA) Four Pillar Audit Protocol or equivalent. Where we identify instances of non-compliance, we raise a corrective action plan report and work with that supplier towards a resolution. While specific issues of non-compliance are acted on as part of the audit process, these reviews also identify trends that allow us to revise standards and guidance. If specific suppliers consistently fail to respond to improvement plans, as identified as part of their performance evaluation, we reserve the right to stop working with them.

During fiscal 24 we conducted a saliency assessment of 15 prioritised supply chains across raw materials, packaging, logistics, marketing, manufacturing and indirects. Our supply chains are prioritised based upon inherent risk, materiality and spend data. We assessed our impact on these supply chains for salient risk based upon scope (number of individuals affected), scale (gravity of impact on human rights), remediability (our ability to address and remedy any harm caused) and the likelihood of the impact occurring.

Identifying vulnerable stakeholders

We identify those potentially vulnerable to human rights abuse in several ways, including through our human rights impact assessments, which cover markets in each region we operate and have an impact. These assessments will look in detail at a market's salient risks and vulnerable stakeholders, both within our own operations and our supply chain. Finally, we work through stakeholder initiative groups such as Aim-Progress and collaborate with other industry peers to identify common vulnerable and affected stakeholders so that we can address any issues and support these stakeholders collectively.

Capacity building and training programmes

We ensure capability training is in place for our supply chain, which ensures suppliers are competent in executing robust, Responsible Sourcing programmes. In fiscal 24, we launched an e-learning module on identification and remediation of salient risks. This has been launched to our 15 priority supply chains and will cascade the principles of responsible sourcing through the supply chain.

Through our stakeholder work with Aim-Progress, Diageo is an active member of both the Africa and APAC regional hubs. Through these hubs, we are working with other existing members to address the most salient human rights and responsible sourcing issues across different regions, with the intention to provide direct supplier training and capability building, as well as providing a platform to pilot new tools and methodologies that support the promotion of human rights and collective mitigation of human rights risks.

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Supplier social assessment

Disclosure	Our response
<p>414-01 New suppliers that were screened using social criteria</p>	<p>All suppliers of procurement-managed spend go through the screening process described in GRI 3-3 on page 84 of this ESG Reporting Index. This includes areas such as labour standards, human rights including child labour, and legal compliance on issues such as pay.</p> <p>We have embedded our 'Spirit of Progress' goals and our Responsible Sourcing programme within the contractual clauses and tender processes for selecting new suppliers. Our suppliers are therefore incentivised to make progress against the environmental, social and governance focus areas laid out in our Partnering with Suppliers Standard. Doing so will increase their chances of winning new business or maintaining current business.</p>
<p>414-02 Negative social impacts in the supply chain and actions taken</p>	<p>All suppliers flagged as a potential risk are required to register with Sedex and to complete the Sedex self-assessment questionnaire.</p> <p>Suppliers who represent a potential high risk are flagged so they can be independently audited against the SMETA Four Pillar Audit Protocol or equivalent. We have 421 such suppliers, of whom 323 or 77% were independently audited in the past three years. We commissioned all audits, but some will be accessed through the mutual recognition work stream of our stakeholder network Aim-Progress.</p> <p>A total of 2,301 issues of non-compliance have been raised through these audits, with 51% relating to health, safety and hygiene issues; 11% to working hours; 10% to wages and benefits; 7% to management systems; and the remaining 21% to other categories. We have followed up with the relevant suppliers with corrective action plans and are working together to resolve them, having already closed 1,772 issues of non-compliance - of which 12 were business critical - in fiscal 24. Where required, we are arranging follow-up audits to verify the issues have been closed.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Public policy

Disclosure	Our response
3-3 ● Our management approach to public policy	<p>As part of doing business, we engage with governments, public interest groups, industry associations and a broad range of similar bodies around the world.</p> <p>In doing so, our aim is always to comply with all laws governing political activity.</p> <p>Our Corporate Relations team manages our engagement with stakeholders on public policy matters, assessing risk and aiming to support the delivery of our strategy including, for example, promoting positive drinking and relevant fiscal and regulatory policies. For more details on our approach to public policy, see our Code of Business Conduct.</p> <p>The team assesses public policy risks and opportunities and develops our Corporate Relations strategy in line with our Growth Ambition at market and global levels. We regularly monitor and evaluate international trade, indirect tax and regulatory risks around the world, analysing their impact and developing mitigation and response strategies.</p> <p>More information on how we manage indirect tax, trade and regulatory risks can be found in our Annual Report on page 109, while our position on specific issues related to alcohol policy is described on our website.</p> <p>We track the effectiveness of our approach across our markets through internal reporting frameworks and ensure we adopt our strategy and allocate resources appropriately throughout the year.</p> <p>The Executive Committee, the Audit Committee and the Audit and Risk Committee review our overall approach, along with the management of specific public policy issues, as part of our overall corporate risk management activity.</p>
415-01 ● Political contributions	<p>We have not given any money for political purposes in the United Kingdom, made no donations to EU political organisations, nor incurred any EU political expenditure during the year.</p> <p>Our US-based subsidiary, Diageo North America, Inc, made contributions solely at its own discretion to non-EU political candidates and committees in the United States, where it is common practice. Contributions of approximately \$1.1 million were made by Diageo North America, Inc, during the financial year to US state and local candidates and committees, consistent with applicable laws. Additionally, our Australian-based subsidiary made contributions, solely at its own discretion, totalling approximately \$0.01 million.</p> <p>Contributions reflect no endorsement of a particular political party, and contributions were made with the aim of promoting a better understanding of our business and our views on commercial matters, as well as a generally improved business environment.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Customer health and safety

Disclosure	Our response
3-3 ● Our management approach to customer health and safety	<p>We aim to design and make products that are always safe for consumers to drink, and that meet their expectations in terms of taste, consistency and presentation. We have a programme of certification for our sites that includes:</p> <ul style="list-style-type: none"> • Site internal assessment to Diageo standards. • Market independent assurance of adherence to standards. • ISO 9001 for our production facilities. • FSSC 22000 at our brewing and packaging locations. <p>At the date of this ESG Reporting index, 75%(fiscal 23 restated: 70%) of our production facilities were ISO 9001 certified and 87%(fiscal 23: 85%) of our brewing and packaging sites were certified to FSSC 22000. We have revised the previous year's figures on ISO 9001 certification to incorporate updated information regarding our India sites, which are managed through an internal quality management system in accordance with ISO 9001 principles. In April 2024, Diageo successfully transitioned its head office from FSSC 22000 version 5 to FSSC 22000 version 6. The certification of our head office is a critical part of our global site certification regarding food safety and quality. We continue to enforce the importance of certifications, and as we build new sites or acquire new businesses, we actively pursue certifications of these sites within a reasonable timeframe.</p> <p>The Audit and Risk Committee reviews our key risks relating to customer health and safety, counterfeit products and contamination, with a particular focus on food fraud.</p> <p>The Supply and Procurement team led by the President, Global Supply and Procurement, monitors our top performance measures for quality, tracking total and critical pack defects, as well as distribution defects.</p> <p>Market-level teams meet monthly with the market head of governance to review these performance measures, along with other global and local quality performance measures, and escalate any issues to the market head of supply chain. This is part of our broader environment, health, safety and quality agenda.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our policies and standards: For more information, see our Quality Global Policy and the Diageo Marketing Code.
416-01 ● Assessment of the health and safety impacts of product and service categories	<p>Our products are mostly low risk in that they are unlikely to be a source of food poisoning and are stable at ambient temperatures. All products are subject to liquid testing and inspection for defects – which include critical defects relating to product safety and legislative requirements.</p> <p>We have continued to review and update our global quality and global risk management standards. These are shared with all production sites as they are published.</p> <p>See the Reporting boundaries and methodologies section on pages 94-116 of this ESG Reporting Index for more information on how we measure and monitor packaging defects and distribution defects.</p>
416-02 ● Incidents of non-compliance concerning the health and safety impacts of products and services	<p>To the best of our knowledge, we have had no incidents of non-compliance with regulations resulting in a fine, a penalty or a warning.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Marketing and labelling

Disclosure	Our response
3-3  Our management approach to marketing and labelling	<p>We take seriously our duty to develop, produce, market and sell our brands responsibly, and all our marketing is governed by our Diageo Marketing Code, Digital Code, Responsible Research Global Standard and Data Protection Global Policy. Our Diageo Consumer Information Standard provides mandatory minimum standards for the information that must be included on labels and packaging on all Diageo-owned brands in all geographies (where legally permitted). Labels and packaging must include alcohol content and nutrition information per serve, alcohol content by volume (ABV), at least one and up to three responsible drinking symbols, a reference to our global responsible drinking website, DRINKiQ.com, a list of allergens, and recycling and sustainability symbols.</p> <p>For further information, see:</p> <ul style="list-style-type: none"> • Our policies and standards: For more details about labelling and information, see the Diageo Marketing Code, Quality Global Policy and the Diageo Consumer Information Standard. <p>We have a cross-functional review process in place for all marketing communications that ensures compliance with the Diageo Marketing Code. On rare occasions where communications are in breach of the Code, we revise them accordingly. Our Marketing, Legal, Brand Technical and Regulatory functions review packaging and labelling of new products to ensure they comply with the Diageo Consumer Information Standard.</p> <p>We review the Diageo Marketing Code every two years to ensure it remains best-in-class compared with rigorous standards in our industry and that it is consistent with evolving technologies. Any changes are signed off by members of the Executive Committee, including the Chief Marketing Officer, General Counsel and Director of Corporate Relations.</p> <p>Our market-based teams, including general managers, review the efficacy of marketing communications, as do our global brand teams and global Marketing function. By continually assessing our communications, we gain feedback that helps improve future campaigns.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Marketing and labelling

Disclosure	Our response
417-01 Requirements for product and service information and labelling	<p>Our approach is as follows:</p> <ul style="list-style-type: none"> • Sourcing of components of the product or service: We do not provide sourcing information for our ingredients; none of our product labels include this information. • Content, particularly with regard to substances that might produce an environmental or social impact: Legislation typically requires a statement of alcoholic content on our alcoholic products; where applicable, products contain this information. • Safe use of the product or service: Together with companies that form the International Alliance for Responsible Drinking, we have committed to adding an age-restriction symbol or equivalent words on all our alcohol brand labels, including alcohol-free extensions of alcohol brands. This is alongside our existing commitment to include up to three responsible drinking symbols. These, together with all other requirements of the Diageo Consumer Information Standard (see previous page), are implemented on new brand innovations and when we renovate existing brands. • Disposal of the product and environmental/social impacts: We mandate the Mobius loop (or equivalent) on packaging and point of sale materials as part of our Diageo Consumer Information Standard; this is included on our products where relevant and permitted, with the exception of United Spirits Limited in India, which does not use the Mobius loop on its product labelling at present. Additional packaging and recycling information is provided on packaging components where required by legislation. <p>Our products are covered by the Diageo Marketing Code.</p>
417-02 Incidents of non-compliance concerning product and service information and labelling	<p>We take compliance with product, service information and labelling regulations seriously. Given the breadth of our portfolio we may, on occasion, be subject to challenge, for example where legislative changes occur at short notice.</p> <p>We address these issues rapidly by means of working closely together with regulators and brand teams to agree the necessary course of action in each case.</p> <p>While we accept some small risk in our labelling, we have an absolute zero-risk approach when it comes to product safety.</p>
417-03 Incidents of non-compliance concerning marketing communications	<p>This year, no complaints about Diageo's advertising were upheld by the following key advertising regulators and/or industry bodies:</p> <ul style="list-style-type: none"> • ASA and Portman Group (UK) • ASAI (Ireland) • ABAC (Australia) <p>However, a complaint was upheld against our tequila brand Casamigos by DISCUS (USA).</p> <p>For more details, and for industry complaints, see our Annual Report on page 52.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed





Not considered material to our business at this time

GRI Index *continued*

Topic standards

Social *continued*

Customer privacy

Disclosure	Our response
3-3  Our management approach to customer privacy	<p>We hold personal data about employees, customers, suppliers, consumers and other individuals, including prospective and former employees. Our Global Data Privacy Programme, led by our Senior Data Privacy Director, has been designed to protect all personal data that we handle in our business activities.</p> <p><u>Our Code of Business Conduct</u> and Data Privacy Global Policy set out our key principles and standards in how we handle data in line with our values, data protection laws and respect for privacy as a human right.</p> <p>Our Chief Information Security Officer leads a cyber security programme to defend against cyber-attacks. That includes seeking to protect information assets through embedding a security aware culture, implementing compliance management procedures and operating an intelligence-driven cyber resilience programme. They are supported by the Chief Information Officer and together they co-chair the Digital and Technology Risk Management Committee in reviewing key security risks and mitigations. They report on the status and mitigations for enterprise risks to the Audit and Risk Committee and the Audit Committee twice a year.</p> <p>Our Internal Audit team periodically audits our Global Data Privacy Programme. Findings are reviewed, with mitigation and improvement activities developed as appropriate, including escalation to our Audit and Risk Committee and to the Audit Committee of the Board if required.</p> <p>Data privacy issues may also be raised through our SpeakUp helpline, to line managers, market legal counsels, data privacy stewards, the HR team or directly to the Senior Data Privacy Director.</p> <p>For more information, see our Code.</p>
418-01  Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>This year, there have been no known instances of regulatory action against us concerning customer privacy.</p>

How we have met each disclosure



Fully disclosed as outlined by the GRI Sustainability Reporting Standards



Partially disclosed and missing at least one required indicator



Not disclosed



Not considered material to our business at this time

Our response to the Sustainability Accounting Standards Board (SASB)



Our response to the Sustainability Accounting Standards Board (SASB)

The US-based SASB sets out sustainability reporting standards for various sectors. The following table summarises our response to the sector-specific standard for alcoholic beverage companies.

Energy management

SASB metric	Our response
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable energy	See GRI 302 in this document.

Water management

SASB metric	Our response
(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with high or extremely high baseline water stress	See GRI 303 in this document. See pages 67-68 of the Annual Report .
Discussion of water management risks and description of management strategies and practices to mitigate those risks	See GRI 303 in this document. See pages 67-68 of the Annual Report. See our website , under Preserve water for life.

Responsible drinking and marketing

SASB metric	Our response
Percentage of advertising impressions made on individuals above the legal drinking age	All advertising impressions are targeted to those above the legal drinking age; see the Diageo Marketing Code for more details. See page 52 of the Annual Report for breaches of our Marketing Code.
Number of incidents of non-compliance with industry or regulatory labelling and/or marketing codes	See GRI 417-03 in this document. See page 52 of the Annual Report.
Total amount of monetary losses as a result of legal proceedings associated with labelling and/or marketing practices	See note 19 of the Financial Statements on pages 210-212 of the Annual Report for details of contingent liabilities and legal proceedings. See page 52 of the Annual Report for details of breaches of marketing practices.
Description of efforts to promote responsible consumption of alcohol	See pages 51-52 of the Annual Report. See the 'Spirit of Progress' section of our website , under Promote positive drinking.

Packaging lifecycle management

SASB metric	Our response
(1) Total weight of packaging, (2) percentage made from recycled or renewable materials, (3) percentage that is recyclable or compostable	See GRI 301 in this document. See pages 71-72 of the Annual Report.
Description of strategies to reduce the environmental impact of packaging throughout its lifecycle	See GRI 301 in this document. See pages 71-72 of the Annual Report. See the 'Spirit of Progress' section of our website , under Become sustainable by design.

Our response to the Sustainability Accounting Standards Board (SASB) *continued*

Environmental and social impact of ingredient supply chain	
SASB metric	Our response
Suppliers' social and environmental responsibility audit: (1) non-conformance rate, (2) associated corrective action rate for (a) major and (b) minor non-conformances	See GRI 308 and GRI 414 in this document.
Ingredient sourcing	
SASB metric	Our response
Percentage of beverage ingredients sourced from regions with high or extremely high baseline water stress	See page 64 of the Annual Report for the location of our sites in water-stressed areas. Omissions: percentage of ingredients.
List of priority beverage ingredients and description of sourcing risks due to environmental and social considerations	See GRI 301 in this document. See page 63 of the Annual Report.
Activity metric	
SASB metric	Our response
Volume of products sold	See page 5 of the Annual Report.
Number of production facilities	See GRI 2-7 in this document.
Total fleet road miles travelled	Omissions: fleet road miles travelled.

Reporting boundaries and methodologies

Reporting *boundaries* and *methodologies*

The non-financial reporting boundaries and methodologies outlined here relate to the social and environmental performance disclosures set out in the Annual Report and the ESG Reporting Index. Any exceptions, differences or deviations from or limitations on these general reporting methodologies and boundaries are explicitly noted alongside the respective metrics in the subsequent tables that follow.

General reporting methodology and boundaries, covering both non-environmental and environmental metric reporting

Our non-financial reporting presents relevant information that is based on the data available at the time of publication, while being transparent about its limitations.

I. Reporting period

Our reporting covers the financial year ended 30 June 2024 unless indicated otherwise.

II. Scope

Unless stated otherwise⁽¹⁾, the scope of all non-financial data disclosed in the Annual Report and the ESG Reporting Index encompasses the performance of Diageo plc's worldwide operations and its subsidiaries, along with the proportionate contribution of results from significant joint ventures, associates and joint operations. Deviations from the reporting scope depend on the nature of each performance metric and any differences are explained for each performance metric below.

We have defined reporting boundaries for those targets and metrics which are part of our 'Spirit of Progress' action plan, including those under the banner "Doing Business the Right Way". The reporting boundaries for all metrics and targets are based on the nature of each indicator and, in the case of our greenhouse gas (GHG) emissions metrics, with reference to the Greenhouse Gas Protocol.

Environmental data and health and safety data is collected and reported for all operational sites and office sites with more than 50 employees where we have operational control ('direct operations')⁽²⁾. The environmental impacts associated with leased facilities where we do not have operational control or have less than 50 employees are excluded and considered immaterial to the company's overall impacts.

(1) Non-financial information, including baseline information, excludes the performance attributable to one of our business units in Greater China due to local regulatory restrictions. We believe the exclusion of this data does not materially impact our non-financial performance.

(2) We define operational control using the definition of accounting standards for most of our ESG metrics. For greenhouse gas emissions, our definition is aligned with the Greenhouse Gas Protocol. Any exceptions, limitations and judgements, including around interpretation of the GHG protocol, are explained under each performance metric.

The environmental and health and safety impacts associated with leased or third-party manufacturing units, where we have a lease arrangement under International Financial Reporting Standards (IFRS), are excluded from our direct operations data.

All company-owned vehicles, specifically all vehicles used and re-fuelled on Diageo's premises, are included in direct operation greenhouse gas emissions (Scope 1 and 2). The emissions associated with leased vehicles not under our control are included in our indirect greenhouse gas emissions (Scope 3). In limited instances, Diageo has ownership of some benefit cars which are not used and re-fuelled on Diageo operational sites. The emissions associated with these cars are included in our indirect greenhouse gas emissions (Scope 3).

Net zero emissions are reached when anthropogenic (i.e. human-caused) emissions of greenhouse gases into the atmosphere are balanced by anthropogenic removals over a specified period. A science based approach to net zero covers greenhouse gas emission Scope 1, 2 and 3 with direct abatement of approximately 90% from our emissions baseline and up to 10% of high-quality certified carbon offsets to neutralise hard-to-abate residual emissions to close the gap to zero.

'Carbon neutral' or 'carbon neutrality' refers to an outcome in which greenhouse gas emissions have been neutralised, through a combination of emissions reduction efforts and the purchase of carbon offsets/credits, resulting in no net release of carbon dioxide. Any carbon offset purchases for discrete carbon neutral claims are specifically for certification and are not included in annually reported Diageo greenhouse gas emission footprint.

III. Baseline and targets

The financial year ended 30 June 2020 is our baseline year and applies to the majority of our 'Spirit of Progress' ambitions. If a different baseline year is used, this is described in the following pages. The baseline year is used as the basis for calculating progress against our ambitions. We aim to achieve each ambition by fiscal 30, unless otherwise stated in the following pages.

Material changes to environmental reporting boundaries and methodologies are reviewed at 2030 grain-to-glass Strategic Business Review meetings that are chaired by the President, Global Supply Chain & Procurement and Chief Sustainability Officer. The Executive Working Group - a group that leads discussion on ESG topics and our 'Spirit of Progress' plan - also reviews material changes to the reporting boundaries and methodologies on an annual basis.

IV. Acquisitions, new sites and divestments

Acquisitions are included in the consolidated reporting for all metrics from the date when control transfers or as soon as practically feasible and no later than one year after that date. This duration varies as each new acquisition has unique systems and processes that must be integrated.

New sites or site extensions are included in the scope of all metrics from the date commissioning commences.

In the case of divestments, data associated with the divestment is removed from the baseline, intervening years and current year unless otherwise stated in the following pages.

Reporting boundaries and methodologies *continued*

V. Restatements

We may restate prior years' data due to structural changes in our operations, including from acquisitions and divestments; improvements in data quality and calculation methods and material changes to relevant policies.

To determine whether we need to restate prior years' data, we examine whether the qualitative or quantitative impacts of the changes are material to the users of our reporting.

For a restatement of environmental data, we restate the data for the baseline year and intervening years.

In case of our environmental data, we may restate prior years' data to reflect updates to GHG emission factors, in line with the GHG Protocol recommendations and for any changes in reporting policy that result in a change to the baseline of more than 1%. We also restate prior years' data where structural changes regarding outsourcing and insourcing have an impact of more than 1%. In certain cases, where historical data is unavailable, the environmental impacts for the baseline year and intervening years are extrapolated from current environmental impact data, based on production patterns and other relevant factors. Any other restatement for all metrics is triggered by a benchmark threshold of 5%.

VI. Reliability and accuracy of data

We have systems, processes and controls that govern the collection, review and validation of non-financial data included in this report. Reporting boundaries and methodologies are reviewed and updated where appropriate each year by leadership teams. We are continually strengthening our data collection processes and underlying controls.

Whilst we seek to capture all information as accurately as possible, it is neither feasible nor practical to measure all data with absolute certainty. Where we have made estimates or exercised judgement, this is highlighted within the reporting methodologies for each indicator under 'Limitations'.

The metrics with the symbol Δ are subject to independent limited assurance by PricewaterhouseCoopers LLP - see pages 258-261 of the Annual Report and pages 118-121 of this document.

Some of our listed subsidiaries also publish sustainability information either as standalone reports or as part of their annual report.

A non-exhaustive set of examples of this reporting are linked below:

- United Spirits Limited
- Sichuan Swellfun Co.,Ltd
- East African Brewers Ltd
- Guinness Nigeria plc

VII. Reporting systems

We use four main systems to collect, validate and analyse reported data.

- Human Resources data is reported at site level primarily using Workday, our global information management systems. HR data is collected on a monthly basis for all Workday markets. Non-Workday markets data is manually captured offline. Both Workday and non-Workday markets data are then consolidated.
- Health and Safety information for performance measures is collected locally, on a monthly basis, using site held incident reports. This is collated and analysed using a web-based information management system.
- Environmental data is collected on key measures of environmental performance monthly at site and market level and consolidated for group reporting monthly. Data is collated and analysed using a web-based environmental management system.

- Market-level 'Spirit of Progress' data: Where 'Spirit of Progress' programmes are managed at a local level, data is collated every quarter. The data is compiled at market, regional and global levels, alongside our other 'Spirit of Progress' goals and is reviewed by general managers, functional leadership teams, the 2030 grain-to-glass Strategic Business Review (SBR) and the Executive Committee during quarterly meetings.

Scope and methodology of physical and transition climate risk scenario analysis reported in our Annual Report on pages 61-66

Scenario analysis of physical risks

Important note on scenario analysis

Climate risk scenario analysis has limitations: it is not a predictor of the future and it is limited by the assumptions used, which themselves are subject to uncertainty. No single scenario is likely to materialise and we are all likely to be exposed to both physical and transition risks as the world continues to warm as a consequence of emissions already in the atmosphere. The pathway to reducing emissions is also highly variable, as governments and industry pursue a variety of means, such as introducing regulation and developing new technologies. Nevertheless, scenario analysis is a powerful tool to understand how our business could be impacted under certain plausible but severe future conditions and it allows us to understand where risks and opportunities are most likely to materialise, to understand trends and to integrate these into our strategy.

Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we conducted scenario analysis to determine the likely financial impact of the most important physical risks on our assets and operations. The physical risks we identified of most importance were:

1. Water supply: Inability to produce brands due to constrained water supply as a result of drought caused by climate change.
2. Agricultural material supply: Increased cost of raw materials due to scarcity caused by changes in growing conditions caused by climate change.
3. Site integrity: Inability to produce products, or damage to stored products due to acute weather events (floods or storms).
4. Disruption to agricultural material supply: Inability to receive agricultural materials due to acute weather events (floods or storms).

Using available climate data and natural catastrophe-modelling techniques, our climate resilience partners calculated projected Estimated Annual Losses (EALs) and Value at Risk (VaR) for the present day and two future time periods (2030 and 2050) under two climate scenarios. For most climate variables, these climate scenarios include a 'moderate' emissions reduction pathway (RCP4.5 or SSP245) and a 'worst-case' pathway (RCP 8.5 or SSP 585). The results were expressed as:

Present day and projected EALs driven by:






- The impact of drought, river floods and tropical windstorms on owned and third-party-operated production assets.
- The impact of floods and tropical windstorms on supplier assets (glass and cans).

and present day and projected VaR associated with:

- The exposure of production assets to water stress.
- The exposure of production and supplier assets to tropical windstorms.

Reporting boundaries and methodologies *continued*

A summary of the scope of our physical and transition risk assessments and scenario analysis

Timeframe	Short term (0-5yrs)	Medium term (2030)	Long term (2050)		
Geography	All Diageo and key third-party operations in North America, Scotland (fiscal 21); India, Africa, Mexico and Türkiye (fiscal 22); and Asia Pacific, Europe and Latin America and Caribbean (fiscal 23). In fiscal 24, we assessed a further 13 new acquisitions or important third-party sites to complete our assessment.				
Risk types	Physical risks Water (availability, quality, temperature), temperature, flooding, landslide, wildfires, wind, humidity		Transition risks and opportunities		
Temperature scenarios	+4 to +5°C (extreme) RCP 8.5'	+2 to +3°C (moderate) RCP 4.5'	1.5°C to 2°C (Paris agreement) RCP 2.6'		
Scope	 <p>Raw materials 1,200+ suppliers' sites Key raw materials* (wheat, barley, maize, cane and beet sugar, vanilla, aniseed, grapes, broken rice, sorghum, agave, dairy, hops) *+4 to +5°C scenario only</p>	 <p>Processing Approximately 250 Diageo and third-party operations' sites Detailed assessments of 39 sites</p>	 <p>Distribution Key road, rail routes Key sea ports (69)</p>	 <p>Risks reviewed Policy and legal risks Technology risks Market risks Reputation risks</p> <p>Scenario analysis Energy Transport Packaging Raw materials</p>	 <p>Opportunities Resource efficiency Energy source Products and services Markets</p> <p>Scenario analysis Pack weight reduction Circular offerings</p>

Scenario analysis of transition risks

Over fiscal years 21-24, we conducted scenario analyses of the impact on our financial performance of transition risks, stemming from a Paris-aligned scenario. Our modelling is based on a successful transition to a low-carbon economy to limit the temperature rise to 1-2°C by 2100 and assumes a variety of decarbonisation challenges and opportunities relating to ingredients, energy, packaging and transport costs and changes in demand for our products (to 2030 and 2050). Over the course of several years, we have refined the model and incorporated data relating to our entire business, including production volume, sales, raw materials and packaging costs and projected growth rates by category and market, to inform future scenarios.

In modelling the financial impact of a successful transition to a low-carbon economy, we considered two scenarios:

1. A baseline scenario which incorporates stated policies and national targets that are already in place and have detailed measures for their realisation; and
2. A transition scenario that assumes the world successfully reaches net zero emissions by 2050. This scenario considers necessary changes in the global energy sector and associated changes across all other sectors of the economy that can reasonably be modelled.

Both scenarios rely on a combination of internal assumptions (e.g. production costs, sales and margin growth rates, product mix, etc.) and external factors (e.g. carbon pricing, increased green energy production and decarbonisation of industry). External models available from the International Energy Agency, the Intergovernmental Panel on Climate Change and other institutions were supplemented where necessary by our expert partners' internal models. Together, these models gave us a range of plausible assumptions designed to capture a trajectory of changes in demand, costs, prices, regulation, technology and capital investments in relevant markets and business segments, that could result in the world achieving net zero emissions by 2050. We looked at how combinations of these changes might affect us both positively (increased demand for sustainable products) and negatively (higher costs) and estimated the combined effect on our cash flow to both 2030 and 2050. Outlined in the table on page 98 below are the materials that most affect our input costs, which may go up or down depending on the situation. We have modelled costs based on our exposure to global versus local changes; for example, glass and aluminium are procured globally, while the cost of energy, for example, is local. For each scenario, we then estimated the prices of major input costs, where relevant by geography and modelled the impact they would have on our operating profit.

Reporting boundaries and methodologies *continued*

Input costs assessed in the scenario analysis by geography											
Region	Global	United Kingdom	United States	Canada	Mexico	Türkiye	India	Africa	Asia Pacific	LAC	Ireland
Glass	●										
Aluminium	●										
Land transport	●										
Ocean transport	●										
Energy		●	●	●	●	●	●	●	●	●	
Electricity		●	●	●	●	●	●	●	●	●	
Raw materials:											
Barley	●										
Wheat	●										
Maize	●										
Rice	●										
Sorghum	●										
Sugar	●										
Vanilla								●			
Aniseed						●					
Agave					●						
Grapes						●					
Hops	●										
Dairy											●

Our people

Health and safety

Performance measure	Lost-time accident frequency rate (LTAFR)
Definition	<p>LTAFR is the number of lost time accidents (LTAs) for employees and contractors who work under Diageo’s direct supervision. The calculation is based on actual working hours and is expressed as a rate per 1,000 full-time equivalent (Occupational Health and Safety (OH&S) FTE). OH&S FTE differs from our employee based FTE; it includes contractors.</p> <p>Direct supervision exists when Diageo directly defines the contractors’ deliverables and the methods and processes by which the work is performed.</p> <p>We define an LTA as any work-related incident resulting in injury or illness, where a healthcare professional or Diageo recommends one or more full days away from work, or where a job restriction or modification prevents the employee from conducting their routine tasks and activities and from working a full shift.</p> <p>We consider an injury or illness to be work-related when an event or exposure in the work environment (including people working at home) either caused or contributed to the resulting condition, or significantly aggravated a medically documented and treated pre-existing injury or illness.</p>
Scope exception	If the injured person did not report the accident on the same shift to their immediate line manager and/or Diageo point of contact, this accident is not in scope as work-related.
Data preparation and measurement	<p>We collect and report safety data for all locations (manufacturing, corporate office, remote commercial and remote home working) where we have operational control, including all office sites.</p> <p>Each month, locations are required to collate and submit details associated with all incidents, accidents and LTAs, as well as OH&S FTE data for their site. Contractor agencies provide data on the hours worked by each contractor under Diageo’s direct supervision. This is then combined with Diageo employee data to calculate the total OH&S FTE data for the month. Data is submitted by locations onto our global reporting platform on a monthly basis.</p>
Limitation	We do not report LTAFR for independent contractors because of the difficulty and administrative burden in accurately recording headcount.
Performance measure	Total recordable accident frequency rate (TRAFR)
Definition	<p>TRAFR includes all work-related fatalities, lost time accidents and medical treatment cases for Diageo employees wherever they carry out their work-related activities. It includes fatalities and lost time accidents for all contractors (not only those under our direct supervision) and outsourced service providers while on Diageo premises. It also includes medical treatment cases for all site-based contractors. The calculation is based on actual working hours and is expressed as a rate per 1,000 OH&S workers.</p> <p>Definition for ‘Injury or illness’ as under LTAFR.</p>
Scope exception	<p>The exception is the same as under LTAFR.</p> <p>Working hours are excluded from the calculation for contractors visiting Diageo premises for a short period of time.</p>
Data preparation and measurement	The data preparation is the same as LTAFR.
Limitation	We do not report medical treatment cases for contractors visiting Diageo premises on a temporary basis.

Our people *continued*

Performance measure	Number of fatalities
Definition	A fatality includes any work-related fatality of an employee or contractor under our direct supervision in their day-to-day work environment (on or off our premises), or any work-related fatality suffered by an outsourced service provider or contractor not under our direct supervision while on our premises. We consider a fatality to be work-related when an event or exposure in the work environment (including people working at home) either caused or contributed to the event.
Scope exception	-
Data preparation and measurement	The data preparation is the same as LTAFR.
Limitation	-
Performance measure	Lost-time injury frequency rate (LTIFR)
Definition	Lost-time injury frequency rate (LTIFR) is a standard Occupational Safety and Health Administration (OSHA) metric that measures the number of lost-time injuries occurring in a workplace per one million hours worked.
Scope exception	The scope exception is the same as LTAFR.
Data preparation and measurement	The data preparation is the same as LTAFR.
Limitation	We do not report LTIFR for independent contractors because of the difficulty and administrative burden in accurately recording headcount.
Performance measure	Lost-time injury rate (LTIR)
Definition	LTIR is a standard OSHA metric that calculates the number of lost-time injuries occurring in a workplace per 200,000 hours worked.
Scope exception	The scope exception is the same as LTAFR.
Data preparation and measurement	The data preparation is the same as LTAFR.
Limitation	We do not report LTIR for independent contractors because of the difficulty and administrative burden in accurately recording headcount.

Our people *continued*

Employee profile data		
Performance measures	Average number of employees by region by gender	Average number of employees by role by gender
Definition	Employees on a full-time equivalent basis who are directly employed by Diageo have been allocated to the region in which they reside.	Employees on a full-time equivalent basis who are directly employed by Diageo have been allocated to the role in which they occupy. We define Executive as a member of the Executive Committee; senior manager (Senior Leaders, Level 2 and Level 3) as those in top leadership positions excluding Executive Committee members; line manager as all Diageo employees (excluding Executive Committee and senior managers) with one or more direct reports; and supervised employee as all remaining Diageo employees who have no direct reports.
Scope exception	All Diageo employees on a full-time equivalent basis are in scope for this performance measure. However, people data from joint ventures and associates where Diageo does not have operational control are not included.	All Diageo employees are in scope for this performance measure. However, people data from joint ventures and associates where Diageo does not have operational control are not included.
Data preparation and measurement	Total employee data comprises our average number of FTE employees across 12 months. The average is calculated based on the FTE numbers from the last day of each month over the past year. Employee type includes Regular, Graduates and Fixed Term Contract (FTC) across all markets.	Total employee data comprises our average number of FTE employees across 12 months except Executives, which are reported as of 30 June 2024 because of the small population size. The average is calculated based on the FTE numbers from the last day of each month over the past year. Employee type includes Regular, Graduates and Fixed Term Contract (FTC) across all markets.
Limitations	Joint operations are included but, where Diageo does not have operational control, only high-level regional data is available. Markets where our global HR system, Workday, is not in place are reliant on manual data collection or, in some cases, we may not be able to obtain data. Data on family leave is only available for markets where we have implemented our global HR system, Workday.	Joint operations are included but, where Diageo does not have operational control, only high-level regional data is available. Markets where our global HR system, Workday, is not in place are reliant on manual data collection or, in some cases, we may not be able to obtain data. Data on family leave is only available for markets where we have implemented our global HR system, Workday.
Performance measure	Workers who are not employees	
Definition	Our extended workforce is made up of contractors engaged on a time and material basis. Workers in this scenario are hired to address short-term capacity challenges, specialist expertise/resource, deliverables, commercials, and knowledge transfer to Diageo that addresses a particular business issue, opportunity or requirement. The resource is either employed by a staffing agency and placed on assignment with us where Diageo are responsible for the day-to-day direction of work, or as an independent contractor whose work is based on pre-agreed milestones and not under the direction of Diageo teams.	
Scope exception	The scope excludes individuals engaged via consultancy, master service agreements or statements of work.	
Data preparation and measurement	The number of workers who are not our employees is reported using an HR vendor management system. In previous years this metric was reported as headcount number at the last day of the fiscal. From fiscal 24 this metric is reported as a monthly average headcount number across this fiscal year.	
Limitation	-	

Champion *inclusion and diversity*

Ambition	Increase spend with diverse-owned and disadvantaged businesses each year to 2030
Performance measure	Spend with diverse-owned and disadvantaged businesses
Definition	<p>In previous years, we defined our ambition as increasing our spend with diverse-owned and disadvantaged businesses to 15% of our global spend. Since setting our ambition, we have learned how to better measure our ambition and drive impactful change. Going forward, we are focused on absolute spend amounts increasing each year to 2030. This metric is easier to measure and easier for the business to operationalise.</p> <p>We define diverse-owned and disadvantaged suppliers as for-profit businesses majority owned and operated by underrepresented communities, including (but not limited to) women, ethnic minorities, LGBTQIA+, people with disabilities and other minority groups identified in the markets where we source. We define ethnic minority groups on a local or regional level rather than global.</p> <p>Disadvantaged businesses include smallholder farmers because of factors including their size and exposure to global commodity markets. For the purposes of supplier diversity reporting, we consider a smallholder farmer in Africa to be one that farms an area of less than 10 acres. In other markets, we use locally recognised guidance, such as for agave farmers in Mexico where the Consejo Regulador del Tequila defines this as 50,000 plants.</p> <p>In certain markets, we use intermediaries to facilitate transactions with smallholder farmers and for one-off small purchases from diverse-owned businesses. This spend is considered Tier 2 diverse spend since payments go through these intermediaries rather than directly to the diverse-owned or disadvantaged business.</p> <p>Where our direct suppliers are not diverse-owned, we will consider spend with diverse-owned and disadvantaged businesses in their own value chains. This is also considered as Tier 2 diverse spend.</p>
Scope exception	Spend from categories that are deemed as non-influenceable are not in scope. Examples include customs charges, taxation and charitable donations.
Reporting period	The baseline year is fiscal 22.
Data preparation and measurement	<p>We extract spend data from our ERP systems for suppliers meeting the definition of diverse-owned and disadvantaged business. This spend is summed, constituting our Tier 1 diverse spend.</p> <p>The spend with diverse-owned or disadvantaged business collected via intermediaries is summed and categorised as Tier 2 diverse spend. We also ask our direct suppliers who are not diverse-owned to report their spend with diverse-owned businesses in their value chains. From these submissions we calculate our Tier 2 diverse spend.</p> <p>Our Tier 1 and Tier 2 spend calculations are combined, and are reflected in the total spend reported.</p>
Limitations	Tier 2 data accuracy relies on the quality of data provided by our direct suppliers and intermediaries.
Ambition	Champion gender diversity, with an ambition to achieve 50% representation of women in leadership roles by 2030
Performance measure	Percentage of female leaders globally
Definition	Leadership roles comprise Executive Committee members (Exec), Senior Leaders (SL), Level 2 (L2) and Level 3 (L3) roles, some of which will be vacant at any point in time. Employee type includes those on regular and fixed-term contracts. Gender data is disclosed by employees themselves on a voluntary basis on our online Human Resources system (Workday).
Scope exception	Non-Executive Directors and extended workers (agency workers, independent contractors, freelancers and consultants) are not in scope, nor are joint ventures, joint operations not managed by Diageo or associates where Diageo does not have operational control.
Data preparation and measurement	The performance measure is calculated as the average of filled leadership roles at the end of each of the four quarters across the fiscal year. The total leadership population is calculated from markets that collect gender information through Workday, enabling all employees in scope to self-disclose this information.
Limitation	Where employees have chosen not to declare their gender, this information is excluded from the gender representation data.

Champion inclusion and diversity *continued*

Ambition	Champion ethnic diversity with an ambition to increase representation of leaders from ethnically diverse backgrounds to 45% by 2030
Performance measure	Percentage of ethnically diverse leaders globally
Definition	<p>Leadership roles comprise Executive Committee members (Exec), Senior Leaders (SL), Level 2 (L2) and Level 3 (L3) roles, some of which will be vacant at any point in time. Employee type includes those on regular and fixed-term contracts.</p> <p>We define ethnically diverse as those ethnic groups who are, or were historically, systematically under-represented, disenfranchised and/or economically excluded.</p> <p>Ethnically diverse people can be a majority or a minority in a country.</p> <p>We determined eight categories of ethnicity, considering Diageo's market footprint, historic underrepresentation and alignment across regions: Asian, Black, Hispanic/Latin American, Indian, Indigenous, Middle Eastern and Turkish, Mixed and Other Ethnic Groups.</p> <p>Based on a third-party study commissioned by Diageo, 'Hispanic/Latin American' is adopted as a term to categorise all people originating from the Latin America and Caribbean (LAC) region, including both indigenous and historically migrant populations. For the purposes of this data gathering exercise, all employees identifying as White with a LAC nationality have been recorded as Hispanic/Latin American.</p>
Scope exception	<p>Non-Executive Directors and extended workers (agency workers, independent contractors, freelancers and consultants) are not in scope, nor are joint ventures, joint operations not managed by Diageo or associates where Diageo does not have operational control. While Workday is live across all geographies in which leaders are based, ethnicity data collection is not legally available in Denmark, France, Italy, Portugal, Spain and Sweden. Any leaders based in these locations are not in scope.</p>
Data preparation and measurement	<p>The performance target is calculated as the average of filled leadership roles at the end of each of the four quarters across the fiscal year.</p> <p>Ethnicity is selected by individuals within the leadership population from a pre-defined list that encompasses those ethnic types most readily seen within the specific country, based on local census and governmental data. Ethnicity data is disclosed by employees on a voluntary basis on Workday. The relevant ethnicity fields are based on the country in which the individual is employed to ensure all are culturally relevant.</p> <p>Employees based in India are not able to submit ethnicity data through Workday due to cultural sensitivities. Nationality is obtained by the local HR team through official identification documents during the onboarding process. For India-based employees not of Indian nationality, the local HR director confirms their ethnicity through a confidential conversation with the individual.</p> <p>Non-LAC nationals are mapped to their identified ethnicity.</p>
Limitation	Employees who declined to self-identify or have not disclosed their ethnicity are not counted as ethnically diverse.

Pioneer *grain-to-glass sustainability*

Preserve *water for life*

Target	Reduce water use in our operations with a 40% improvement in water use efficiency in water-stressed areas and a 30% improvement across the company
Performance measures	<ul style="list-style-type: none"> • Water efficiency index - water-stressed areas • Water efficiency index - across the company
Additional performance measures	<p>Percentage change in the water efficiency index from the prior year and from the baseline</p> <p>Note: This metric is used in all new Long Term Incentive Plans awarded from fiscal 24 onwards.</p>
Definition	<p>We prepare and report water withdrawal (use) using internally developed reporting methodologies based on the GRI Standards.</p> <p>Water withdrawal (use) includes water obtained from ground water, surface water, mains supply and water delivered to the site by tanker, less any clean water provided directly from a site to local communities. Also excluded from reported water withdrawal data is uncontaminated water abstracted and returned to the same source under local consent, water abstracted from the sea and rainwater collection.</p> <p>Water efficiency for distillation is measured as water use per litre of pure alcohol (LPA) distilled for finished products only. Water efficiency for brewing and packaging is measured as water use per litre packaged.</p> <p>When preparing the water efficiency index, the change in water efficiency for distillation and the change in water efficiency for brewing and packaging are weighted by the proportion of water used (m³) by all sites in each production type relative to the total water use, and added together. This is then compared to the baseline and prior year.</p> <p>For water-stressed only: We classify a site as in water-stressed areas if the site is in a location which meets the definition of 'water-stressed', which is identified through a combination of sources, including the World Resources Institute (WRI) Aqueduct tool, UN definitions, internal water risk survey information and external reviews by independent hydrologists.</p> <p>An assessment to identify our sites located in water-stressed areas is completed every two years. We include any new-build or acquired sites and exclude any sites divested. All sites identified as water-stressed up until the 2025 water risk assessment will be included in the scope of our current 2030 water efficiency commitment for water-stressed areas.</p> <p>Newly classified water-stressed sites are retrospectively applied to the fiscal 20 baseline, including the water use and distilled, brewed or packaged production volumes. Similarly, sites reclassified as no longer water-stressed are removed from the fiscal 20 baseline. This approach ensures consistency in tracking performance, versus the more stretching target of 40% improvement for water-stressed sites.</p> <p>For reference, the water efficiency index formula is: $100 - (((\% \text{ Change in Water efficiency, l/l distilled} * \% \text{ of water withdrawals for distillation}) + (\% \text{ Change in Water efficiency, l/l brewing and packaging} * \% \text{ of water withdrawals for brewing and packaging})) * 100)$.</p>
Scope exception	The volume of water used on land under our operational control in Mexico and Türkiye we report this separately from water used in our direct operations and do not include it in our water efficiency calculations.

Introduction	GRI Index	SASB	Reporting boundaries and methodologies	External assurance
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Preserve water for life *continued*

Target	Reduce water use in our operations with a 40% improvement in water use efficiency in water-stressed areas and a 30% improvement across the company
Data preparation and measurement	<p>Water withdrawal (use) is measured primarily from meter readings and invoices. In limited cases, estimates are used. Distilled, brewed and packaged production volumes are based on production records.</p> <p>All sites (including offices, warehouses, maltings, etc.) are mapped to either distillation or brewing and packaging, based on their prevailing production type. This mapping is reviewed annually and applied in determining the:</p> <ul style="list-style-type: none"> • water use distillation (m³); • water use brewing and packaging, (m³); • proportion of total water abstracted for each production type (%); and • water efficiency for distillation (l/LPA) and brewing and packaging, (l/l). <p>Water efficiency index performance is attributed to the prevailing production type and excludes the production from the secondary production process in the calculations; (e.g. a site with distillation and packaging processes allocated to distillation only considers the distilled production and excludes the packaged production in the calculations).</p> <p>We measure water withdrawal (use), litres of pure alcohol and litres of packaged product by site and aggregate them at the production type level.</p>
Limitation	In limited cases (e.g. failure or malfunction of water meters), estimates are used for water withdrawals.
Target	Reduce water use in our operations with a 40% improvement in water use efficiency in water-stressed areas and a 30% improvement across the company
Performance measure	<ul style="list-style-type: none"> • Water use efficiency per litre of product packaged (Litres/Litre) - across the company • Water use efficiency per litre of product packaged (Litres/Litre) - water-stressed areas
Additional performance measure	<p>Percentage improvement in litres of water used per litre of product packaged from the prior year and from the baseline.</p> <p>Note: This metric is used in Long Term Incentive Plans for those awarded prior to fiscal 24.</p>
Definition	<p>We prepare and report water withdrawal (use) using internally developed reporting methodologies based on the GRI Standards.</p> <p>Water withdrawal includes water obtained from ground water, surface water, mains supply and water delivered to the site by tanker, less any clean water provided back to local communities directly from a site. Uncontaminated water abstracted and returned to the same source under local consent, water abstracted from the sea and rainwater collection, are excluded from reported water withdrawal data.</p> <p>For water-stressed only: We classify a site as in water-stressed areas if the site is in a location which meets the definition of 'water-stressed' which is identified through a combination of sources, including the World Resources Institute (WRI) Aqueduct tool, UN definitions, internal water risk survey information and external reviews by independent hydrologists.</p> <p>An assessment to identify our sites located in water-stressed areas is completed approximately every two years. We include any new-build or acquired sites and exclude any sites divested. All sites identified as water-stressed up until the 2025 water risk assessment will be included in the scope of our current 2030 water efficiency commitment for water-stressed areas.</p> <p>Newly classified water-stressed sites are retrospectively applied to the fiscal 20 baseline, including the water use and packaged volumes. Similarly, sites reclassified as no longer water-stressed are removed from the fiscal 20 baseline. This approach ensures consistency in tracking performance, versus the more stretching target of 40% improvement for water stressed sites.</p>
Scope exception	The volume of water used at Diageo-operated agricultural lands in Mexico and Türkiye is reported separately.
Data preparation and measurement	Water withdrawal (use) is measured primarily from meter readings and invoices. In limited cases, estimates are used. Water efficiency per litre of packaged product is calculated by dividing total water withdrawal by the total packaged volume. We use litres of packaged product as the measure for comparison, because this indicates how much water has been used relative to the amount of finished product that has been packaged. We measure litres of packaged product by site and aggregate them at group level.
Limitation	In limited cases (e.g. failure or malfunction of water meters), estimates are used for water withdrawals.

Preserve water for life *continued*

Target	Invest every year in improving access to clean water, sanitation and hygiene (WASH) in communities near our sites and local sourcing areas in all of our markets with water-stressed sites
Performance measure	Percentage of markets with water-stressed sites with an annual investment in WASH
Definition	<p>This target tracks funding committed and spent on new WASH facilities to improve local community access to clean water, sanitation or hygiene in communities within the same water basin as our sites and local sourcing areas.</p> <p>We usually define Diageo's markets as either an individual country or group of countries where we operate or sell our products. To ensure comprehensive coverage, this performance measure instead defines each market as an individual country. This means that the performance measure considers water-stress and investment at a country level, rather than at a market level.</p> <p>We classify sites as in water-stressed areas if the site is in a location which meets the definition of 'water-stressed' which is identified through a combination of sources, including the World Resources Institute (WRI) Aqueduct tool, UN definitions, internal water risk survey information and external reviews by independent hydrologists.</p> <p>An assessment to identify our sites located in water-stressed areas is completed approximately every two years. We include any new-build or acquired sites and exclude any sites divested.</p> <p>The performance measure is calculated as a percentage of the number of markets with water-stressed sites in which Diageo has invested in WASH programmes in the same water basin as the site, divided by the total number of (in scope) markets with water-stressed sites in which Diageo operates.</p>
Scope exception	<p>The scope excludes markets with water-stressed sites in which Diageo operates where there is no demand or requirement for new community WASH projects (Türkiye, Indonesia, Seychelles).</p> <p>These exclusions are verified by an expert implementing partner and are based on government, WRI or World Health Organization information on WASH risk and availability.</p> <p>Where investment activity is deemed to be minimal in a particular market, we do not include this market as covered by an investment in WASH.</p>
Reporting period	The complexity of gathering data from different project partners means there is a lag in reporting information on our projects. Each financial year we include data from 1 June to 31 May.
Data preparation and measurement	Data on WASH programmes, including locations, clean water yield and the number of people (including the number of women) who benefit is calculated by non-governmental organisation (NGO) delivery partners and validated by an external validator.
Limitation	Judgement is applied when determining what is considered to be greater than minimal WASH investment. The investments we make could be through collective action and include other stakeholders. Impact is typically measured over time. We reflect on the holistic investment impact and our individual contributions in making a judgement that our contributions were greater than a minimal threshold.

Accelerating to a *low-carbon world*

Target	Become net zero carbon in our direct operations (Scope 1 and 2)
Performance measures	<ul style="list-style-type: none"> • Percentage change in absolute greenhouse gas emissions (direct and indirect greenhouse gas emissions by weight (market/net based)) from the prior year and the fiscal 2020 year baseline • Direct greenhouse gas emissions by weight (market/net based) (1,000 tonnes CO₂e) • Indirect greenhouse gas emissions by weight (market/net based) (1,000 tonnes CO₂e) • Total direct and indirect greenhouse gas emissions by weight (market/net based) (1,000 tonnes CO₂e) • Market based (net) intensity ratio of GHG emissions (grams CO₂e per litre of packaged product) • Direct greenhouse gas emissions by weight (location/gross based) (1,000 tonnes CO₂e) • Indirect greenhouse gas emissions by weight (location/gross based) (1,000 tonnes CO₂e) • Total direct and indirect greenhouse gas emissions by weight (location/gross based) (1,000 tonnes CO₂e) • Location based (gross intensity) ratio of GHG emissions (grams CO₂e per litre of packaged product)
Definition	<p>Scope 1 and 2 greenhouse gas emissions are presented as the absolute greenhouse gas emissions (Direct - Scope 1 emissions from on-site energy consumption of fuel sources and Indirect - Scope 2 emissions from purchased electricity and heat) in 1,000 tonnes CO₂e using market-based and location-based reporting methodologies. Market-based and location-based greenhouse gas emission intensity ratio is calculated as grammes per CO₂e per litre, using direct operations packaged product volume in litres.</p>
Scope exception	<p>We exclude minor quantities of Scope 1 greenhouse gas emissions up to 0.5% of a site's emissions, to a maximum of 50 tonnes CO₂e per emission source, as well as the greenhouse gas emissions associated with biogas flaring, since they are determined to be immaterial to our overall impacts.</p> <p>Biological/biogenic CO₂ emissions from the combustion of bioenergy and from direct operations processes such as fermentation to create alcohol, are outside of scope and are reported separately. However, bioenergy CO₂e emissions associated with methane and nitrous oxides that are not absorbed in bioenergy feedstock growth, are included in Scope 1 emissions.</p> <p>We do not include carbon offsets or credits in the Scope 1 and 2 GHG emissions market-based or location-based approach.</p>

Accelerating to a low-carbon world *continued*

Target	Become net zero carbon in our direct operations (Scope 1 and 2)
Data preparation and measurement	<p>We calculate CO₂e emissions data based on direct measurement of energy use (meter readings/invoices) for the majority of sites.</p> <p>Market-based and location-based emissions</p> <p>We externally report Scope 1 and 2 greenhouse gas emissions using metric tonnes of CO₂e to compare the emissions from the seven main greenhouse gases based on their global warming potential. We base our CO₂e reduction targets and reporting protocols (since 2007) on market-based emissions.</p> <p>We also calculate our emissions using the location-based approach, where direct operations greenhouse gas emissions are reported without the benefit of indirectly supplied renewable energy.</p> <p>Direct (Scope 1) emissions</p> <p>We report fuel consumption by fuel type at site level using the environmental management system. Using calorific values, the fuel is then converted to energy consumption, in kilowatt hours (kWh), by fuel type and is multiplied by the relevant CO₂e emission factor to derive total CO₂e emissions. Scope 1 emission factors for fuels are typically average fuel CO₂e emissions factors and calorific values (the latest available at the end of the period) from the UK Government Department for Energy Security and Net Zero (DESNZ). For market-based emissions calculations, we apply product-specific factors where available. Energy attribute certificates (EACs), derived from our distillery by-product feedstock and processed by a third party to generate biomethane, form a component of our decarbonisation, together with purchased renewable gas EACs (i.e. from certificate-backed biomethane supplied indirectly through the natural gas grid). For location-based emissions calculations, we apply product-specific factors, where available, but the specific emission factors associated with EACs are not used (i.e. indirectly supplied renewable gas through grid is reported using standard, natural gas grid emission factors).</p> <p>Indirect (Scope 2) emissions</p> <p>We report greenhouse gas emissions from electricity (Scope 2) as market-based emissions and as location-based emissions in line with the WRI/WBCSD GHG Protocol Scope 2 guidance 2015. For market-based emissions, electricity consumption recorded on our environmental management system is multiplied by emissions factors specified in EACs, contracts, power purchase agreements and supplier utility emissions, as detailed in the GHG Protocol's Scope 2 guidance. We use GHG Protocol Scope 2 to ensure EACs and associated financial instruments meet the required standards. GHG emission factors relating to indirect, Scope 2 emissions are updated with latest available by end of the period. For location-based emissions, grid imported electricity consumption recorded on our environmental management system is multiplied by regional or sub-national emission factors (where available) to calculate Scope 2 location-based GHG emissions. These include, for example, The Commission for Regulation of Utilities (CRU) (Ireland), DESNZ (United Kingdom), the National Inventory Report (Canada), US eGRID (United States) and the Indian power sector report (India). In all other cases, country or sub-regional factors are provided by the International Energy Agency (IEA). Location-based emission factors are reviewed annually and updated with latest available at the end of the period.</p>

Accelerating to a low-carbon world *continued*

Target	Become net zero carbon in our direct operations (Scope 1 and 2)
Data preparation and measurement continued	<p>Fugitive and owned agricultural (Scope 1) emissions</p> <p>We calculate fugitive emissions based on the amount of emitted ozone-depleting substances and fluorinated gases, multiplied by the relevant emission factor to represent the global warming potential in tonnes of CO₂e. Annually, each site reports the quantity (mass) of each material/gas emitted based on any added/topped-up amount, reported via the environmental management system. The mass of each emitted ozone-depleting substance and fluorinated gas is multiplied by the relevant emission factor and then added together to report the equivalent GHG emissions in tonnes of CO₂e.</p> <p>We calculate agricultural emissions from direct operations owned and operated by Diageo based on fertiliser use. The annual quantity (mass) of inorganic fertiliser is multiplied by the percentage of nitrogen content and by the relevant GHG emission and conversion factors (e.g. nitrogen to nitrous oxide, nitrous oxide GHG emission factor) to determine the equivalent tonnes CO₂e emissions.</p> <p>Scope 1 and Scope 2 data aggregation</p> <p>For market-based: Total direct and indirect greenhouse gas emissions by weight (market/net based) (1,000 tonnes CO₂e) is the aggregation of Scope 1 and 2 GHG emissions with fugitive and owned agriculture emissions to calculate total direct operations market-based emissions. The percentage reduction in absolute greenhouse gas emissions (direct and indirect greenhouse gas emissions by weight (market/net based)) from the prior year is a percentage change calculation with reference to the corresponding prior year figure.</p> <p>Our net zero emissions target for 2030 remains consistent with earlier reporting protocols and is based on market-based emissions.</p> <p>For location-based: We aggregate location-based Scope 1 and 2 GHG emissions with fugitive and owned agriculture emissions (as detailed in the market-based approach above) to calculate direct operations total location-based emissions.</p> <p>GHG emission intensity ratios</p> <p>Total, aggregated direct operations market-based and location-based emissions (as detailed above) are divided, respectively, by the volume of direct operations packaged product reported in the same period. The market-based and location-based emissions are converted to grammes of CO₂e and the volume of packaged product is reported in litres to generate relevant GHG emission intensity ratios in g CO₂e/litre packaged.</p>
Limitation	Where invoices or site meter readings are not available, for example, due to timing differences or metering issues, we estimate consumption.
Target	Reduce our value chain (Scope 3) carbon emissions by 50%
Performance measure	Percentage change in absolute greenhouse gas emissions (ktCO ₂ e) from the prior year
Definition	<p>Scope 3 emissions are indirect greenhouse gas (GHG) emissions generated by activities upstream or downstream of our operations that are not accounted for as Scope 1 and 2 GHG emissions.</p> <p>Scope 3 greenhouse gas emissions are assessed for relevance across 15 value chain categories and sub-categories and for Diageo, these are deemed relevant:</p> <ul style="list-style-type: none"> • Category 1: Purchased raw materials, packaging and third party manufacturers. • Category 2: Capital goods. • Category 3: Fuels and energy-related activities. • Category 4: Upstream and downstream logistics and distribution. • Category 5: Waste generated in operations. • Category 6: Business travel. • Category 7: Employee commuting, including the emissions associated with leased and a limited number of Diageo owned vehicles not accounted for in Scope 1 and Scope 2 GHG emissions. • Category 11: Use of products sold. • Category 12: End of life of products sold. <p>We do not include carbon offsets or credits in Scope 3 GHG emissions.</p>
Scope exception	Any categories of Scope 3 emissions not listed in the definition above are out of scope for reporting. These are either excluded on the basis of materiality or a lack of reliable data.
Reporting period	All Scope 3 data is included for the current fiscal, with the exception of transportation and distribution (category 4). We have moved the reporting period from a one-year lag to now including data from June - May.

Accelerating to a low-carbon world *continued*

Target	Reduce our value chain (Scope 3) carbon emissions by 50%
Data preparation and measurement	<p>We externally report Scope 3 GHG emissions using metric tonnes of CO₂e to compare the emissions from the four greenhouse gases – carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and hydrofluorocarbons (HFCs) – included in our calculations, based on their global warming potential.</p> <p>Diageo uses a combination of consumption and spend based activity data to determine Scope 3 GHG emissions for all categories deemed relevant. The Diageo GHG Emission Factors Master Database contains the specific emission factor used and the associated source file.</p> <p>This activity data is multiplied by relevant emission factors sourced from industry-average databases, unless there are supplier specific factors. Where relevant, the supplier specific factors are preferred over industry-average database factors. Emission factors are updated annually based on updates to the industry-average databases and with published emission factors from suppliers.</p> <p>Inflation and Exchange Rate Adjustment</p> <p>For all spend-based calculations in the Scope 3 inventory, the emission factors used are based on 2019/2020 US dollars. In alignment with the GHG Protocol Scope 3 Calculation Guidance (Section 1, page 33), spend values are adjusted to reflect the differences in market values between the year of the spend based factors (2019) and the current period using country-specific inflation and exchange rates so the emission factor can be appropriately applied. The spend values are deflated by multiplying the current year spend by a ratio of the consumer price indices (CPI) of 2019/20 and the current year. The CPI values are obtained from S&P Global per country that Diageo has operations in, and it was assumed that all spend per site was acquired in, and thus subject to inflation of, the country of the site. The exchange rates are obtained with guidance from Diageo’s internal accounting department.</p> <p>Diageo use two calculation methods:</p> <p>1) The average data method:</p> <p>The average data as described in the GHG Protocol Scope 3 Calculation Guidance are used to calculate these emissions. The quantity of relevant goods or services purchased in the reporting year is multiplied by the secondary (e.g. industrial average) emission factors (e.g. average emissions per unit good or service). Cradle-to-Tiers 1 supplier emission factors of the purchased goods or services per unit of mass are used (e.g. kg CO₂e /kg).</p> <p>The average data method is represented by the following equation:</p> $\text{CO}_2\text{e emissions for purchased goods or services} = \sum(\text{mass of purchased good or service (kg)} \times \text{emission factor of purchased good or service per unit of mass (kg CO}_2\text{e/kg)})$ <p>This method is applied for the following scope 3 categories:</p> <ul style="list-style-type: none"> • Category 1: Purchased goods and services. • Category 3: Fuel and energy-related activities. • Category 4: Upstream transportation and distribution. • Category 5: Waste generated in operations. • Category 6: Business travel. • Category 7: Upstream leased assets. • Category 11: Use of sold products. • Category 12: End of life treatment of sold products. <p>2) The spend-based data method:</p> <p>The spend-based data method is used to calculate these emissions. The spend on relevant capital goods purchased in the reporting year is multiplied by the spend-based emission factor (e.g. average emissions per unit spent).</p> <p>The calculation method is represented by the following equation:</p> $\text{CO}_2\text{e emissions for capital goods} = \sum(\text{spend on capital goods (USD)} \times \text{emission factor of purchased capital good per economic value (kg CO}_2\text{e/USD)})$ <p>This method is applied for the following scope 3 categories:</p> <ul style="list-style-type: none"> • Category 2: Capital Purchase goods and services. <p>For the transportation and distribution (category 4) calculation, we have updated the GHG factors to the latest Global Logistics Emissions Council (GLEC) factors.</p> <p>The latest Global Warming Potential (GWP – 2021 IPCC report) are used in Diageo’s GHG calculation and the Biogenic GHG emissions are not included.</p>
Limitations	<p>Due to inherent limitations related to measurement uncertainty and/or the availability of actual activity data, we utilise Diageo and/or industry average activity data for certain purchased goods or services. Due to limited primary greenhouse gas factors from suppliers, secondary greenhouse gas factor sources are used, such as industry recognised emission factors and others. As such, Scope 3 greenhouse gas emissions reporting is inherently limited and processes to refine data calculations are constantly under review.</p>

Accelerating to a low-carbon world *continued*

Target	Use 100% renewable energy across all our direct operations
Performance measure	<ul style="list-style-type: none"> • Change in percentage of renewable energy across our direct operations from the prior year • Total direct (renewable and non-renewable) energy consumption (TJ) • Direct energy efficiency (MJ/litre packaged) • Indirect energy efficiency (MJ/litre packaged) • Total direct and indirect energy efficiency (MJ/litre packaged)
Definition	<p>We report total energy use and renewable energy use in megawatt hours (MWh) and/or terajoules (TJ). Total energy and renewable energy use are determined from direct and indirect energy consumption; energy generated on our sites and purchased energy. We determine direct energy (renewable/non-renewable) from the quantity of different fuel types (in metric tonnes, litres) of renewable and non-renewable fuels and by applying the relevant calorific value (either from DESNZ or the supplier). We measure indirect energy (renewable/non-renewable) in MWh and/or TJ from energy utilities or suppliers and/or by applying the relevant EACs.</p> <p>We include directly connected renewable energy generated on or near our sites, where all energy is used on site and no EACs are created (e.g. roof-mounted solar panels with all generated renewable electricity used on site).</p>
Scope exception	We exclude minor energy sources that account for less than 0.5% of a site's overall Scope 1 and 2 emissions, up to a maximum of 50 t CO ₂ e of individual emission source. They are considered immaterial to our overall impact.
Data preparation and measurement	<p>We report total energy and renewable energy in MWh and/or TJ. We calculate direct and indirect energy data based on the direct measurement of energy use (meter readings/invoices for volumes of fuel supplied).</p> <p>We report fuel consumption by fuel type at site level using the environmental management system. Using calorific values, the fuel is then converted to energy consumption, in kWh, by fuel type and classified as either renewable or non-renewable based on fuel type or source. EACs, derived from our distillery by-product feedstock and processed by a third-party to generate biogas, together with purchased renewable gas EACs, are applied to relevant natural gas supplied to sites via a common carrier pipeline/network.</p> <p>All indirect energy generated and used on site, along with purchased indirect energy supplied through the grid is classified as renewable by the allocation of EACs, contracts, power purchase agreements and supplier-specific utility factors, where relevant.</p> <p>To calculate the percentage of renewable energy use, we divide total renewable energy (direct and indirect energy supplies (in MWh)) by total energy use, comprising all reported energy sources (MWh).</p> <p>Direct energy efficiency (MJ/L); indirect energy efficiency (MJ/L) and total energy efficiency (MJ/L) are determined from total direct energy (MJ), total indirect energy (MJ) and total energy (MJ) and divided by the volume of packaged product (litres).</p>
Limitation	Energy data is calculated based on direct measurement of energy use (meter readings/invoices) for the majority of sites. Where invoices are not available, for example, due to timing differences, consumption is estimated.

Accelerating to a low-carbon world *continued*

Target	Ensure 100% of our packaging is recyclable (or reusable/compostable)
Performance measure	Percentage of packaging recyclable (by weight)
Definition	<p>This includes packaging that it is technically possible to recycle but does not take into account whether the collection, sorting and recycling of the package happens in practice, at scale and at viable cost.</p> <p>In the past, we have also reported on a specific target related to plastics packaging, a subset of this target. We continue to track this target internally but focus our reporting now on the recyclability of all packaging.</p>
Scope exception	–
Data preparation and measurement	Packaging material volume data is collated then consolidated and internally verified, based on the best available information.
Limitation	Reporting relies on suppliers' technical information and supporting supplementary information.
Target	Increase the average recycled content in our plastic bottles to 35% by 2025, then deliver sequential improvement by 2030 where the quality and availability meets our needs
Performance measure	Percentage of recycled content in our plastic bottles
Definition	<p>At the start of 'Spirit of Progress', we set an ambition to reach 40% average recycled content in our plastic bottles. Since that time, we have faced several supply constraints and regulation that limits the amount of recycled content we can use in certain countries. Our latest estimates project that we will not reach our 40% ambition by 2025 and as a result, we are reducing the target to what is feasible for 2025. We are also now expecting improvement year-on-year to 2030, rather than 100% by 2030. This is in recognition of the supply dynamics but also recognising we must do all we can to apply pressure each year to achieve higher quantities of recycled content in our plastic bottles.</p> <p>The percentage of recycled content in our plastic bottles is determined by quantifying the metric tonnes of non-virgin plastic in the total volume of all plastic bottles used at each site or market reported through a plastics database.</p>
Scope exception	–
Data preparation and measurement	We collate plastic material volume data for the total volume of plastics purchased. We collect recycled content data through quarterly supplier questionnaires and then consolidate this data.
Limitation	Reporting relies on suppliers' technical information, timely completion of quarterly questionnaires and supporting supplementary information.

Introduction	GRI Index	SASB	Reporting boundaries and methodologies	External assurance
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Accelerating to a low-carbon world *continued*

Target	Achieve zero waste created intended for landfill in our direct operations
Performance measures	Total volume of waste sent to landfill (tonnes)
Definition	<p>In fiscal 23, we achieved the zero waste to landfill target in our direct operations; and going forward have adjusted the target slightly to maintain our momentum on waste in our production process. The new target will measure waste for which the only option is to send to landfill. We will continue to work with our waste handlers through contractual terms and regular audits to ensure all waste is handled in the way it was intended. We have also removed the target to achieve zero waste to landfill in our supply chain. Whilst we continue to engage with our suppliers on waste, we no longer expect to measure waste in our supply chain given other priorities for reporting.</p> <p>We record the type and quantity of all waste to landfill using our internal environmental reporting methodologies and GRI Standards. The definition of waste to landfill includes all hazardous waste and all unwanted or discarded material produced in solid, sludge or liquid form from manufacturing and office sites, except asbestos waste and/or other waste required by national or state legislation to be landfilled in either specified registered sites or other landfill sites. The definition includes all refuse, garbage, construction debris, treatment and process sludge and materials that a site has been unable to reclaim, reuse or recover.</p> <p>We consider we have achieved zero waste to landfill if we have disposed of less than 0.2% of total waste volume during the year. 0.2% of total waste volume equates to 200 tonnes.</p>
Scope exception	Performance measure excludes any waste Diageo is required to send to landfill under local regulations.
Data preparation and measurement	Sites typically collect primary waste data from weighbridge tickets and invoices from waste handlers. Data is reported by waste type at site level.
Limitation	Incidents may occur where small quantities of waste are sent to landfill by accident or because of operational changes, such as acquiring new sites, changing who handles our waste and issues with waste disposal suppliers.
Target	Provide agricultural skills and resources through regenerative agriculture and other programmes to strengthen the resilience and economic prosperity of smallholder farmers in our most important ingredient-sourcing landscapes
Performance measure	Number of smallholder farmers in our supply chain supported by our smallholder farmer programme
Definition	<p>We first started measuring and reporting against this target in fiscal 2022. Since then, we have learned more about how to operate our programmes with smallholder farmers. In many cases, our work with smallholders will extend over multiple years, with the same farmer. We see this as an important investment into specific communities, but have found it challenging to report accurately without the risk of duplication either in the same year or across multiple years. As a result, we have removed our target to reach 150,000 smallholder farmers by 2030, and instead focus reporting on the number of farmers supported in the current year.</p> <p>For the purpose of this metric we define a smallholder farmer as an individual or family farming an area of less than four hectares, for the primary markets in scope for this target. Our local sourcing communities are those where we engage directly with smallholder farmers, or indirectly through our suppliers.</p> <p>We provide agricultural skills and inputs to help smallholder farmers farm effectively and sustainably. This includes offering training and facilitating access to farm inputs, such as certified seeds and mechanisation.</p>
Scope exception	Our work with smallholder farmers is currently focused around sorghum value chains in five countries in Africa.
Data preparation	Our sourcing teams and third-party partners track the number of smallholder farmers undergoing training and education or being provided with access to farm inputs both manually and directly into our new digital platform.
Limitation	Collecting data at smallholder-farm level is complex, with a heavy reliance on individuals, a lack of publicly available datasets and a lack of real-time data.

The following reporting boundaries and methodologies include performance measures which appear in the ESG Reporting Index but not in the Annual Report

Topic	Community investment figures
Performance measure	Community investment by focus area, investment type and region
Definition	Community investment includes contributions – in the form of cash, in-kind donations, programme delivery costs – from Diageo plc. It includes contributions to charitable entities, non-branded responsible drinking programmes that benefit charities and the delivery costs of our community programmes. We use the Business for Societal Impact principles to measure our community investment.
Scope exception	We include community investment from all the markets where we operate. This community investment data includes specific voluntary engagement with charitable organisations or activities that extend beyond our core business activities. It incorporates some of the ‘Spirit of Progress’ delivery costs which directly benefits the communities and does not drive direct commercial benefit. It contains both market and central spend beneficial for the wider communities that we are operating in.
Data preparation	Cash, in-kind donations, programme delivery costs and employee time contributions are recorded by local markets using our market reporting template together with the central ESG team’s spend on community beneficial programmes.
Limitation	Reporting is based on investment data submitted by our Corporate Relations teams. It may not include investment gifted to charities from other functions such as our Marketing function. Central team costs do not include staff or staff-related costs, only donations, contributions and other development costs to move the community programmes further.
Topic	Sustainable supply chains
Performance measure	Percentage of suppliers assessed via on-site assessments
Definition	The total number of suppliers who have been assessed (four-pillar ethical audit or equivalent) within the last three years divided by the total number of suppliers who are screened as high risk in scope for an audit.
Scope exception	Those suppliers who are screened as low or medium risk are not in scope for on-site assessments. Our figure includes all audit data held in Sedex. We have a small number of audits in other formats (e.g. BSCI, Unilever audits, Coca-Cola audits) which are accepted as part of Aim-Progress’s mutual recognition programme, but these are not included in our reported figures.
Data preparation	Our audit compliance data comes from the Sedex platform. The audits performed are valid for three years. The data included in the metric is from the most recent site audit.
Limitation	–
Topic	Sustainable supply chains
Performance measure	Total number of issues of non-compliance with suppliers
Definition	Compliance is achieved by closing all major, critical and business-critical non-compliances through a valid SMETA audit from the last three years (or equivalent audit standard). The total number of compliant suppliers is divided by the total number of high-risk suppliers in scope.
Scope exception	Those suppliers who are screened as low or medium risk are not in scope for on-site assessments. Our figure includes all audit data held in Sedex. We have a small number of audits in other formats (e.g. BSCI, Unilever audits, Coca-Cola audits) which are accepted as part of Aim-Progress’s mutual recognition programme, but these are not included in our reported figures.
Data preparation	The breakdown of our audit compliance data comes from what is held within the Sedex platform and audits are valid for three years; our data relates to the most recent audit that has occurred at a site.
Limitation	–

The following reporting boundaries and methodologies include performance measures which appear in the ESG Reporting Index but not in the Annual Report *continued*

Topic	Environmental impact: Biodiversity
Performance measure	We track our impact on local biodiversity by measuring where operational sites that are owned, leased and managed by us, are within or adjacent to protected areas or areas of high biodiversity value outside protected areas
Definition	<p>We define adjacent as a distance to the boundary of a protected area of less than or equal to 20 km.</p> <p>The protected area designations are identified using the Integrated Biodiversity Assessment Tool (IBAT) following the International Union for Conservation of Nature (IUCN), key protected areas categories I-VI and Key Biodiversity Areas, as defined by local country legislation.</p> <p>Key Biodiversity Areas (KBA) are also identified using the IBAT platform and are 'sites contributing significantly to the global persistence of biodiversity', in terrestrial, freshwater and marine ecosystems. KBAs comprise an 'umbrella' set of internationally-recognised priority sites for biodiversity that include Important Bird and Biodiversity Areas (IBAs); and Alliance for Zero Extinction (AZE) sites.</p>
Scope exception	Leased or third-party manufacturing units, where we have a lease arrangement under International Financial Reporting Standards, are excluded.
Data preparation	<p>From 2022 we changed the way that we report against this performance measure and now only report those sites 'in' or 'adjacent' to protected areas and KBAs.</p> <p>We update the classification data for our sites and protected area designations each year.</p>
Limitation	–

The following reporting boundaries and methodologies include performance measures which appear in the ESG Reporting Index but not in the Annual Report *continued*

Topic	Environmental impacts: Effluents
Performance measure	<ul style="list-style-type: none"> • Effluent/wastewater polluting power (biological oxygen demand or BOD), total under direct control (tonnes). • Percentage reduction in total BOD under direct control from the prior year
Definition	<p>Much of the water used in brewing, distilling and packaging facilities is used for cleaning process equipment and such water becomes polluted with product residues. The strength of this pollution in the wastewater discharged as effluent is expressed as BOD. BOD is a direct measure of organic polluting strength of effluent and quantifies the oxidisable organic matter present in the wastewater or effluent stream.</p> <p>We measure and report the final BOD load discharge to the environment outside the site boundary that is directly treated and controlled and/or treated by third parties, consistent with international methods and published literature describing the determination of BOD impacts.</p> <p>The BOD load to the environment (thousands of tonnes) attributable to our owned and operated wastewater treatment facilities is covered by external independent assurance.</p>
Scope exception	Wastewater/BOD discharged to environment inside the site boundary is excluded.
Data preparation	<p>Data is reported at site level using the environmental management system.</p> <ul style="list-style-type: none"> • The final BOD load to the environment is determined from the volume in cubic metres of site effluent multiplied by the BOD concentration in mg/l and is expressed as thousands of tonnes. • Effluent volume is either determined from an on-site flow meter or by calculating a 'mass balance' formula/ ratio of effluent volume: water withdrawal. • In the limited instances where mass balance ratios are applied, these are validated through industry standard coefficients for wastewater volume for brewing, distilling and packaging operations. • The BOD concentration of the effluent is determined on either a composite sample or grab sample basis, depending on a local testing equipment, from one of the following: <ul style="list-style-type: none"> - On/off-site BOD laboratory analysis. - On/off-site chemical oxygen demand (COD) laboratory analysis and applying industry (or site-specific) correlation coefficient to convert to BOD. - Third-party/municipal treatment facility BOD data.
Limitation	Third-party/municipal treatment facilities are out of scope for external independent assurance.

Cautionary statement regarding ESG-related data, metrics and forward-looking statements

This document contains a number of forward-looking statements with respect to Diageo's 'Spirit of Progress' ambitions, commitments and targets and the methodologies we use to assess our progress in relation to these ('ESG-related forward-looking statements').

Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts and may generally, but not always, be identified by the use of words such as "will", "anticipates", "should", "could", "would", "targets", "aims", "may", "expects", "intends" or similar expressions. In particular, forward-looking statements include all statements that express forecasts, expectations, plans, outlook, objectives and projections with respect to future matters. Forward-looking statements can be made in writing but may also be made verbally by Directors, officers and employees of Diageo (including during presentations) in connection with this document. Forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.

In preparing the ESG-related information contained in this document, Diageo has made a number of key judgements, estimations and assumptions and the processes and issues involved are complex. The ESG and climate data, models and methodologies used are often relatively new, are rapidly evolving and are not of the same standard as those available in the context of other financial information, nor are they subject to the same or equivalent disclosure standards, historical reference points, benchmarks, market consensus or globally accepted accounting principles. In particular, it is not possible to rely on historical data as a strong indicator of future trajectories in the case of climate change and its evolution (as discussed in more detail below, with respect to data availability, accuracy, quality, verifiability and data gaps). Outputs of models, processed data and methodologies are also likely to be affected by underlying data quality, which can be hard to assess and we expect industry guidance, market practice and regulations in this field to continue to change. There are also challenges faced in relation to the ability to access data on a timely basis and the lack of consistency and comparability between data that is available. This means the ESG-related forward-looking statements and ESG metrics discussed in this document carry an additional degree of inherent risk and uncertainty and as a result, our actual results and developments could differ materially from those expressed or implied by the ESG-related forward-looking statements in this document.

In light of the uncertainty as to the nature of future policy and market responses to climate change, including between regions and the effectiveness of any such responses, Diageo may have to re-evaluate its progress and evolve its approach towards its ESG ambitions, commitments and targets in the future, update the methodologies it uses or alter its approach to ESG and climate analysis and may be required to amend, update and recalculate its ESG disclosures and assessments in the future, as market practice and data quality and availability develop rapidly.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by the ESG-related forward-looking statements in this document, including factors that are outside Diageo's control, which include (but are not limited to):

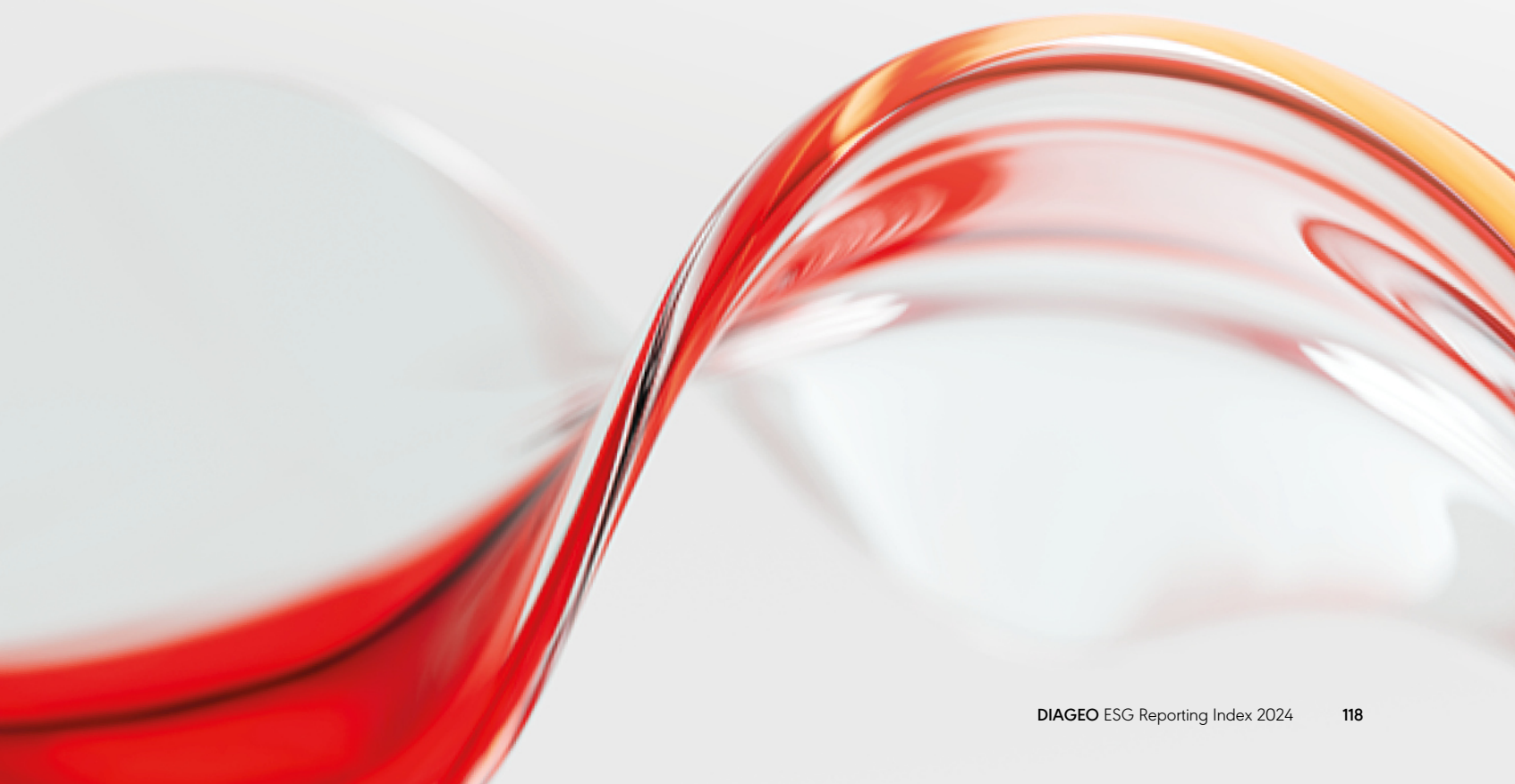
- a. the inherent uncertainty of climate change projections due to the inchoate and complex nature of climate metrics and the climate scenarios employed related to such metrics, which have limitations that are sensitive to key assumptions and parameters that are themselves subject to some uncertainty and cannot fully capture all of the potential effects of climate, policy and technology driven outcomes;
- b. changes in the ESG regulatory landscape, including government approaches and regulatory treatment in relation to ESG disclosures and reporting requirements, in particular with respect to US, UK and European Union disclosure standards and any actual or potential variations in requirements between the US, UK and the European Union and any other applicable regulatory regimes, as well as other developments in response to the current lack of a single standardised regulatory approach to reporting ESG data across all sectors and markets;
- c. data availability, accuracy, quality, verifiability and data gaps, which limit our disclosure and could cause unexpected fluctuations year on year and/or differences between the quality of the data obtained and could result in revisions to reported data going forward, meaning that such data may not be reconcilable or comparable year on year;
- d. continued development of the methodologies Diageo uses to assess and set its ESG-related targets over time in line with market practice, regulation and/or developments in science, which could result in revisions to reported data and lack of reconcilability or comparability; and
- e. the effectiveness of global actions in transitioning to net zero and in managing relevant ESG risks, including in particular climate, nature-related and human rights risks, the success or failure of which will affect our ability to achieve our 'Spirit of Progress' targets, which may result in our failure to achieve any of the expected benefits of our strategic priorities.

More details of potential risks and uncertainties affecting Diageo are described in our filings with the London Stock Exchange and the US Securities and Exchange Commission, including in our Annual Report on Form 20-F for the year ended 30 June 2024.

Any forward-looking statements made by or on behalf of Diageo speak only as of the date they are made. Diageo expressly disclaims any obligation or undertaking to publicly revise or update these ESG forward-looking statements, other than as required by applicable law.

External assurance: PwC

Independent Limited Assurance Report on Selected Information



External assurance: PwC

Independent Limited Assurance Report to the Directors of Diageo plc on Selected Information

Our limited assurance conclusion

Based on the procedures we have performed, as described under “Summary of work performed” and the “Key Assurance Matters” sections below, and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information marked with the symbol Δ in Diageo plc’s (‘Diageo’s’) ESG Reporting Index 2024 (‘the Report’) for the year ended 30 June 2024 and summarised below (together, the ‘Subject Matter Information’), has not been prepared, in all material respects, in accordance with Diageo’s Non-financial Reporting boundaries and methodologies (the ‘Reporting Criteria’) set out on pages 94-116 of the ESG Reporting Index.

What we were engaged to assure

The Subject Matter Information needs to be read and understood together with the Reporting Criteria which Diageo’s Directors are solely responsible for selecting and applying. The Subject Matter Information set out in the table below and the Reporting Criteria set out on pages 94-116 of the Report:

Subject Matter Information (for the year ended 30 June 2024 unless otherwise stated)	Reported Figure	Location of Subject Matter Information in the Report
Environmental indicators:		
Total mains water withdrawn (ML) ⁽¹⁾	8,690	page 39
Total ground water withdrawn (ML) ⁽¹⁾	5,124	page 39
Total surface water withdrawn (ML) ⁽¹⁾	1,615	page 39
Total water withdrawn (ML) ⁽¹⁾	15,429	page 39
Direct greenhouse gas emissions by weight (market/net based) (1,000 tonnes CO ₂ e) ⁽¹⁾	354	page 48
Indirect greenhouse gas emissions by weight (market/net based) (1,000 tonnes CO ₂ e) ⁽¹⁾	4	page 48
Direct greenhouse gas emissions by weight (location/gross based) (1,000 tonnes CO ₂ e) ⁽¹⁾	418	page 48
Indirect greenhouse gas emissions by weight (location/gross based) (1,000 tonnes CO ₂ e) ⁽¹⁾	181	page 48
Total direct and indirect greenhouse gas emissions by weight (location/gross based) (1,000 tonnes CO ₂ e) ⁽¹⁾	599	page 48
Location based (gross) intensity ratio of greenhouse gas emissions (g CO ₂ e per litre of packaged product) ⁽¹⁾	160	page 49
Total direct (renewable and non-renewable) energy consumption (TJ) ⁽¹⁾	10,289	page 36
Direct energy efficiency (MJ/litre packaged) ⁽¹⁾	2.7	page 37
Indirect energy efficiency (MJ/litre packaged) ⁽¹⁾	0.6	page 37
Total direct and indirect energy efficiency (MJ/litre packaged) ⁽¹⁾	3.3	page 37
Wastewater polluting power (‘BOD’), total under direct control (tonnes) ⁽¹⁾	31,364	page 40

(1) The footnotes refer to our assessment of materiality discussed in the ‘Materiality’ this report.

The scope of our work did not extend to information in respect of earlier periods or to any other information included in, or linked from, the Report.

Our work

Professional standards applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', and, in respect of the greenhouse gas (GHG) emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board.

Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code).

We apply International Standard on Quality Management (UK) 1 and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of work performed

We performed a limited assurance engagement. Because the level of assurance obtained in a limited assurance can vary, we give more detail about the procedures performed, so that the intended users of the Subject Matter Information can understand the nature, timing and extent of procedures we performed as context for our conclusion. These procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

In performing our assurance procedures, which were based on our professional judgement, we performed the following:

- evaluated the suitability in the circumstances of Diageo's use of the Reporting Criteria as the basis for preparing the Subject Matter Information including the associated reporting boundaries;
- through enquiries, obtained an understanding of Diageo's control environment, processes and systems relevant to the preparation of the Subject Matter Information. Our procedures did not include evaluating the suitability of design, obtaining evidence about their implementation or testing operating effectiveness of particular control activities;
- evaluated whether Diageo's methods for developing certain estimates are appropriate and had been consistently applied, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Diageo's estimates;
- compared year on year movements and obtained explanations from management for significant differences we identified;

- performed limited substantive testing on a selective basis of the Subject Matter Information, which is aggregated from information submitted by Diageo's operational sites. We undertook site visits at 10 of Diageo's operational sites which we selected based on their inherent risk, materiality and unexpected fluctuations in the site level Subject Matter Information since the prior period. Testing involved, on a sample basis, agreeing arithmetical accuracy of calculations, and agreeing data points to or from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;
- evaluated the disclosures in, and overall presentation of, the Subject Matter Information.

Materiality

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Subject Matter Information is likely to arise. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our procedures in support of our conclusion. We believe that it is important that the intended users have the information they need to understand the concept and the level of materiality to place our conclusion in context. Based on our professional judgement, we determined materiality for the Subject Matter Information as follows:

Overall materiality

Materiality may differ depending upon the nature of the Subject Matter Information. We apply professional judgement to consider the most appropriate materiality benchmark for each aspect of the Subject Matter Information, having considered how the intended users may use the information.

The benchmark approach for each aspect of the Subject Matter Information is indicated in the "What we were engaged to assure" table by the following;

1. This metric is an absolute number or a ratio. A benchmark materiality of 5% has been applied.

We also agreed to report to the Directors misstatements ('reportable misstatements') identified during our work at a level below overall materiality, as well as misstatements below that lower level that in our view warranted reporting for qualitative reasons. The Directors are responsible for deciding whether adjustments should be made to the Subject Matter Information in respect of those items.

Key Assurance Matters

Key Assurance Matters are those areas of our work that in our professional judgement required particular focus and attention, including those which had the greatest effect on the overall assurance strategy, the allocation of resources, and directing the efforts of the engagement team.

We considered the following area to be a Key Assurance Matter and discussed it with Diageo's management.

Clarity and application of the organisational boundary criteria

Nature of the issue

The Subject Matter Information has been prepared using internally generated Reporting Criteria that draw on aspects of sustainability reporting frameworks, such as the GHG Protocol Corporate Standard. This approach to developing Reporting Criteria is accepted practice in the UK.

As part of their Reporting Criteria, Diageo defines and applies an ‘operational control’ approach to identify its organisational boundary which determines what should be included within their environmental reporting. Due to the nature and complexity of certain arrangements, management uses judgement in determining whether Diageo has operational control. For example, management judgement has been applied in assessing operational control for leased manufacturing units, third party manufacturing units, joint ventures, associates, assets under construction and commissioning, acquisitions and disposals.

In the current period, Diageo has updated their Reporting Criteria to provide further clarity and highlight the judgements made to improve understandability for users of what is included within the organisational boundary.

Changes to organisational boundaries can have a significant impact on the reported Subject Matter Information which is why we have determined this to be an area of audit focus.

How our work addressed the Key Assurance Matter

The following procedures have been performed to address the identified risk:

- Considered the appropriateness of Diageo’s Reporting Criteria with respect to its organisational boundary, taking into consideration relevant sustainability reporting frameworks;
- Tested the application of the organisational boundary as defined by the updated Reporting Criteria.

Element(s) of the Subject Matter Information most significantly impacted

Environmental indicators referenced above within the table in the “What we were engaged to assure” section.

Challenges of non-financial information

The absence of a significant body of established practice upon which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities, and over time.

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for measuring or evaluating it. The precision of different measurement techniques may also vary.

Reporting on Other Information

The other information comprises all of the information in the Report other than the Subject Matter Information and our assurance report. The Directors are responsible for the other information. As explained

above, our conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon.

In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

Responsibilities of the Directors

The Directors of Diageo are responsible for:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those Reporting Criteria are relevant and appropriate to Diageo and the intended users of the Report;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over the evaluation or measurement of the underlying subject matter to result in Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- documenting and retaining underlying data and records to support the Subject Matter Information; and
- producing the Report that provides a balanced reflection of Diageo’s performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Report; and
- producing a statement of Directors’ responsibility.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error and in accordance with the Reporting Criteria;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Diageo.

Use of our report

Our report, including our conclusion, has been prepared solely for the Directors of Diageo in accordance with the agreement between us dated 29 November 2023 (as varied) (the “agreement”). To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and Diageo for our work or our report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers LLP

Chartered Accountants
London
29 July 2024

DIAGEO

Celebrating life,
every day, everywhere

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Registered in England
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