



DIAGEO
2020

Sustainability &
Responsibility Targets

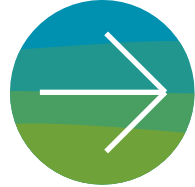
2015–2020

Please drink responsibly.

DRINKiQ.com

Sustainability and responsibility targets

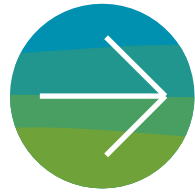
Promote positive drinking



Target 2025

- Educate 5 million young people, parents and teachers on the dangers of underage drinking
- Collect 50 million pledges never to drink and drive through #JoinThePact
- Reach 200 million people with moderation messages through our brands

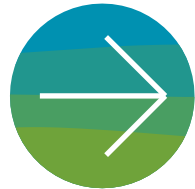
Champion inclusion and diversity



Target 2020

- Women in leadership
- Employee engagement

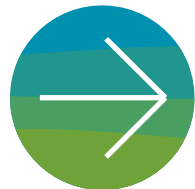
Pioneer grain-to-glass sustainability



Target 2020 (2025 for plastics targets)

- Sustainable supply chains
- Community initiatives: water, sanitation and hygiene; women’s empowerment; and skills empowerment.
- Carbon
- Water
- Waste
- Paper and board
- Packaging
- Plastics

Doing business the right way from grain to glass



Target 2020

- Health and safety
- Human rights

Strategic priority

Promote positive drinking

PROGRESS ⁽ⁱ⁾		
TARGETS THROUGH TO 2025	KPI	PROGRESS
Educate 5 million young people, parents and teachers about the dangers of underage drinking	<i>Number of young people, parents and teachers educated</i>	1 million educated
Collect 50 million pledges never to drink and drive through #JoinThePact ⁽ⁱⁱ⁾	<i>Number of pledges collected</i>	25.3 million pledges collected
Reach 200 million people with moderation messages from our brands	<i>Number of people reached</i>	229.2 million people reached

(i) Progress on educating 5 million young people, parents and teachers about the dangers of underage drinking is from fiscal 2018 to fiscal 2020. Progress on collecting 50 million pledges never to drink and drive through #JoinThePact is from fiscal 2019 and 2020. Progress on reaching 200 million people with moderation messages from our brands is from fiscal 2019 and 2020.

(ii) Building on what we have learnt from our drink driving interventions and feedback from our stakeholders, we are evolving our approach to focus on education programmes that promote changes in attitudes as a way to tackle drink driving. As a result, fiscal 2020 will be our final year for #JoinThePact, and we will no longer include it in our reporting.

Strategic priority

Champion inclusion and diversity

PROGRESS⁽ⁱ⁾

TARGETS THROUGH TO 2020	KPI	PROGRESS
Build diversity, with 35% of leadership positions held by women and measures implemented to help female employees attain and develop in leadership roles	<i>% of leadership positions held by women.</i>	39%
Increase employee engagement to 80%	<i>Employee satisfaction, loyalty, advocacy and pride, measured through the Your Voice survey</i>	N/A⁽ⁱⁱⁱ⁾

(iii) This year we were unable to conduct an annual Your Voice survey due to Covid-19. In its place we used a pulse survey tool to help us measure engagement, listen to employee feedback and learn from their experience of working during the pandemic. The survey had a response rate of 74%, with 91% reporting that they were 'proud to work at Diageo' and 86% confirming they would 'recommend Diageo as a great place to work'.

Strategic priority

Pioneer grain-to-glass sustainability

PROGRESS		
TARGETS THROUGH TO 2020	KPI	PROGRESS
Our community programmes enable those who live and work in our communities, particularly women, to have the skills and resources to build a better future for themselves	<ul style="list-style-type: none"> • Number of women empowered to date • Number of people participating in skills empowerment programmes • Number of people reached through water sanitation and hygiene programmes 	<p>~435,000 to date</p> <p>Over 6,600</p> <p>Over 250,000</p>
SUSTAINABLE SUPPLY CHAINS		
Establish partnerships with farmers to develop sustainable agricultural supplies of key raw materials	<i>Number of smallholder farmers supported.</i>	78,600
Source 80% of our agricultural raw materials locally in Africa by 2020	<i>% of agricultural raw materials sourced locally in Africa</i>	79%^(iv)
Deliver our responsible sourcing commitments with suppliers to improve labour standards and human rights in our supply chains	<i>% of potential high-risk supplier sites audited.</i>	82% audited in the past three years^(v)

(iv) In F19 we sourced 82% of raw materials locally in Africa, but delivery of this target was impacted by Covid-19 in fiscal 2020.

(v) Covid-19 restrictions prevented supplier audits going ahead in some cases as access to sites wasn't possible.

Strategic priority

Pioneer grain-to-glass sustainability

PROGRESS⁽ⁱ⁾

TARGETS THROUGH TO 2020	KPI	PROGRESS
ENVIRONMENTAL SUSTAINABILITY		
Reduce water use through a 50% improvement in water use efficiency	% improvement in litres of water used per litre of packaged product.	46.0%
Return 100% of wastewater from our operations to the environment safely.	% reduction in waste water polluting power, measured in BOD ('000 tonnes)	46.4%
Replenish the amount of water used in our final product in water stressed areas.	% of water replenished in water stressed areas (m ³)	116%
Reduce absolute greenhouse gas (GHG) emissions from direct operations by 50%.	% reduction in absolute GHG (kt CO ₂ e)	50.1%
Achieve a 30% reduction in absolute greenhouse gas emissions along the total supply chain.	% reduction in absolute GHG (kt CO ₂ e)	33.7%
Reduce total packaging weight by 15%, Increase recycled content to 45% & Ensure 100% of packaging recyclable	% reduction in total packaging by weight	11.2%
	% of recycled content by weight	45.8%
	% of recyclable packaging by weight	99.5%
Achieve zero waste to landfill.	% reduction in total waste to landfill (tonnes)	98.2%
PERFORMANCE AGAINST KEY <u>2025</u> TARGETS FOR PLASTICS.		
Achieve 40% average recycled content in all plastic bottles (and 100% by 2030)	Tonnes (metric) of recycled content/total tonnes of plastics used	2.5%
Ensure 100% of our plastics will be designed to be recyclable, reusable or compostable in countries where we operate.	Tonnes (metric) plastics widely recyclable (or reusable/compostable)/total tonnes of plastic used	85.3%

(i) Baseline year is 2007 except for packaging which is 2009 and water replenishment which is 2015.

Foundational elements:

Doing business the right way from grain to glass

PROGRESS

TARGET	KPI	PROGRESS
Act in accordance with the UN Guiding Principles on Business and Human Rights.	<i>Number of markets in which we have carried out human rights assessments.</i>	17 markets^(iv)
Keep our people safe by achieving less than one lost-time accident (LTA) per 1,000 employees and no fatalities	<i>Number of LTAs</i>	0.60
Keep our people safe by achieving no fatalities	<i>Number of fatalities</i>	1

(iv) Covid-19 restrictions prevented human rights impact assessments going ahead in some cases as access to sites wasn't possible. In order to carry out full and thorough assessments, the remaining assessments have been delayed to fiscal 2021.