

## Board of Directors

### Composition of the Board

The Board comprises the Non-Executive Chair, two Executive Directors, the Senior Independent Director, and six independent Non-Executive Directors. The biographies of all Directors are set out in this Annual Report on pages 92 and 93.

### Inclusion and diversity

The Board sees championing inclusion and diversity as one of the key enablers for achieving Diageo's ambition. It is also a core principle of the company's global Human Rights Policy which applies to all employees, subsidiaries and third-party contractors and which has been implemented as part of our Code of Business Conduct programme. Our objective is to maintain and sustain an inclusive and diverse business, across all levels, functions and geographies, in order to create a better working environment and a better performing business. As part of this, the Board has adopted a written Board Diversity Policy alongside Diageo's Code of Business Conduct and associated global policies, which set out Diageo's broader commitment to inclusion and diversity. Diageo strongly supports diversity within its Board of Directors, including gender, ethnicity, age and professional diversity, as well as diversity of thought. The Board is comprised of individuals from a diverse range of skills, industries, backgrounds and nationalities, which enables a broad evaluation of all matters considered by the Board and contributes to a culture of collaborative and constructive discussion. The Board's objective, as set out in its Diversity Policy, is that it shall include no less than 40% female representation (with the ultimate goal being parity between males and females on the Board) and at least one Director from a minority ethnic group. As at 24 July 2024, women make up 70% of the Board and there are four Directors (40%) who self-disclose as being from minority ethnic groups. Further information about diversity at Board and senior executive levels can be found on page 121 and in the 'Our people and culture' and 'Champion inclusion and diversity' sections of the Strategic Report on pages 55-56 and 59-60 respectively. The Board's Diversity Policy is available at <https://www.diageo.com/en/our-business/corporate-governance/board-diversity>.

### Outside interests and conflicts

The Board has adopted guidelines for dealing with conflicts of interest, with Directors' outside interests being regularly reviewed and responsibility for authorising conflicts of interest reserved for the Board. In the case of a potential conflict, the Nomination Committee considers the circumstances, appropriate controls and protocols, and makes a recommendation to the Board. The Board confirmed that it was not aware of any situations that may or did give rise to conflicts with the interests of the company, other than those that may arise from Directors' other appointments as disclosed in their biographies.

### Duties of the Board

The Board manages overall control of the company's affairs with reference to the formal schedule of matters reserved for the Board for decision. The schedule was last reviewed in July 2024 and is available at <https://www.diageo.com/en/our-business/corporate-governance>. In order to fulfil their duties, procedures are in place for Directors to seek both independent advice and the advice and services of the Company Secretary, who is responsible for advising the Board on all governance matters. The Board considers a number of factors when making decisions, including the potential impact of those decisions on various stakeholder groups and on the company's 'Spirit of Progress' and other non-financial targets, including in respect of environmental sustainability. Further information on the Board and the Audit Committee's roles in climate risk governance can be found on page 61. The terms of reference of Board Committees are reviewed regularly, most recently in July 2024, and are available at <https://www.diageo.com/en/our-business/corporate-governance>.

## Corporate governance requirements

In January 2024, the Financial Reporting Council (FRC) published a new version of the UK Corporate Governance Code, which will apply to companies with a premium listing on the London Stock Exchange, including Diageo, for financial periods starting on or after 1 January 2025. Until such time, the principal corporate governance rules applying to Diageo for the year ended 30 June 2024 are contained in the 2018 UK Corporate Governance Code (the Code) and the UK Financial Conduct Authority (FCA) Listing Rules, which require us to describe, in our Annual Report, our corporate governance from two points of view: the first dealing generally with our application of the Code's main principles and the second dealing specifically with non-compliance with any of the Code's provisions. The two descriptions together are designed to give shareholders a picture of governance arrangements in relation to the Code as a criterion of good practice. A copy of the Code is publicly available on the website of the FRC, [www.frc.org.uk](http://www.frc.org.uk). Diageo's statement as to compliance with the Code during the year ended 30 June 2024 can be found on page 89. Diageo must also comply with corporate governance rules contained in the FCA Disclosure Guidance and Transparency Rules and certain related provisions in the Companies Act 2006 (the Act). Diageo is also listed on the New York Stock Exchange (NYSE), and as such is subject to the applicable rules of this exchange and jurisdiction. For example, Diageo is subject to the listing requirements of the NYSE and the rules of the US Securities and Exchange Commission (SEC), as they apply to foreign private issuers. Compliance with the provisions of the US Sarbanes-Oxley Act of 2002 (SOX), as it applies to foreign private issuers, is continually monitored.

### Compliance with US corporate governance rules

Under applicable SEC rules and the NYSE's corporate governance rules for listed companies, Diageo must disclose any significant ways in which its corporate governance practices differ from those followed by US companies under NYSE listing standards. Diageo believes the following to be the significant areas in which there are differences between its corporate governance practices and NYSE corporate governance rules applicable to US companies. This information is also provided on the company's website at [www.diageo.com](http://www.diageo.com).

- Basis of regulation: UK listed companies are required to include in their annual report a narrative statement of (i) how they have applied the principles of the Code and (ii) whether or not they have complied with the best practice provisions of the Code. NYSE listed companies must adopt and disclose their corporate governance guidelines. Certain UK companies are required to include in their annual report statements as to (i) how directors have complied with Section 172 of the Act, which requires directors to promote the success of the company for the benefit of the members as a whole, having regard to the interests of stakeholders and (ii) how directors have engaged with and taken account of the views of the company's workforce and other stakeholder groups. Diageo complied throughout the year with the best practice provisions of the Code and the disclosure requirements noted above.
- Director independence: The Code requires at least half the Board (excluding the Chair) to be independent Non-Executive Directors, as determined by affirmatively concluding that a Director is independent in character and judgement and determining whether there are relationships and circumstances which are likely to affect, or could appear to affect, the Director's judgement. The Code requires the Board to state its reasons if it determines that a director is independent notwithstanding the existence of relationships or circumstances which may appear relevant to its determination. NYSE rules require a majority of independent directors, according to the NYSE's own 'brightline' tests and an affirmative determination by the Board that the Director has no material relationship with the listed company. Diageo's Board has determined that, in its judgement and without taking into account the NYSE brightline tests, all of the Non-Executive Directors are independent. As such, currently eight of Diageo's ten Directors are independent. Further details of this determination in relation to Alan Stewart, Non-Executive Director and Chair of the Audit Committee, are set out on page 97.

- **Chair and Chief Executive:** The Code requires these roles to be separate. There is no corresponding requirement for US companies. Diageo has a separate Chair and Chief Executive.
- **Non-Executive Director meetings:** NYSE rules require Non-Management Directors to meet regularly without management present and independent directors to meet separately at least once a year. The Code requires Non-Executive Directors to meet without the Chair present at least annually to appraise the Chair’s performance. During the year, Diageo has complied with these requirements with independent Non-Executive Directors, including the Chair, meeting without the Executive Directors present five times and independent Non-Executive Directors meeting without the Chair or Executive Directors present twice.
- **Board committees:** Diageo has a number of Board committees that are similar in purpose and constitution to those required by NYSE rules. Diageo’s Audit, Remuneration and Nomination Committees consist entirely of independent Non-Executive Directors. Under NYSE standards, companies are required to have a nominating/corporate governance committee, which develops and recommends a set of corporate governance principles and is composed entirely of independent directors. The terms of reference for Diageo’s Nomination Committee, which comply with the Code, do not contain such a requirement. In accordance with the requirements of the Code, Diageo has disclosed on pages 105-106 the results and means of its annual evaluation of the Board, its Committees and the Directors, and it provides extensive information regarding the Directors’ compensation in the Directors’ remuneration report on pages 122-147.
- **Code of ethics:** NYSE rules require a Code of Business Conduct and Code of Ethics to be adopted for directors, executive officers and employees and disclosure of any waivers for executive directors or officers. Diageo has adopted a Code of Business Conduct for all Directors, officers and employees, as well as a Code of Ethics for Senior Financial Officers in accordance with the requirements of SOX. See page 115 for further details.
- **Compliance certification:** NYSE rules require chief executives to certify to the NYSE their awareness of any NYSE corporate governance violations. Diageo is exempt from this as a foreign private issuer but is required to notify the NYSE if any executive officer becomes aware of any non-compliance with NYSE corporate governance standards. No such notification was necessary during the period covered by this report.

**Structure and division of responsibilities**

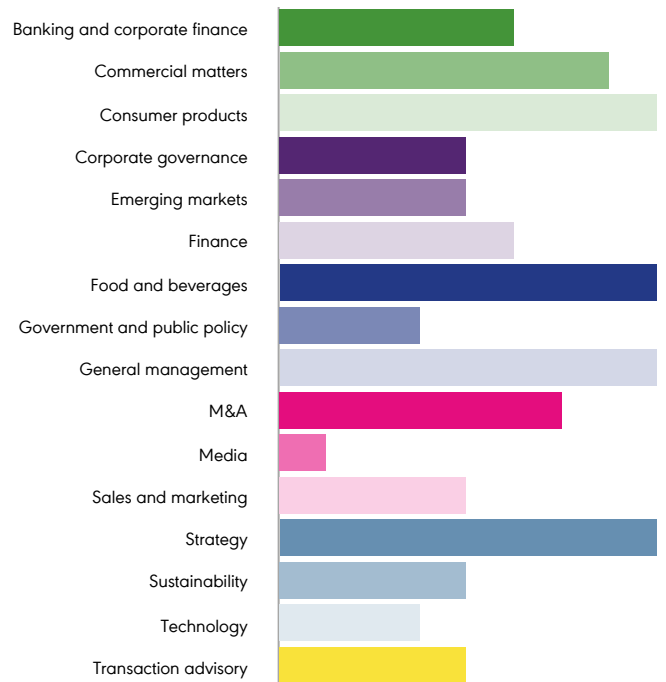
The Board is committed to the highest standards of corporate governance and risk management, which is demonstrated in its established corporate governance framework, illustrated on page 91. This includes the three Board Committees (Audit Committee, Nomination Committee and Remuneration Committee), as well as management committees which report to the Chief Executive or Chief Financial Officer (Executive Committee, Finance Committee, Audit & Risk Committee and Filings Assurance Committee). There is a clear separation of the roles of the Chair, the Senior Independent Director and the Chief Executive which has been clearly established, set out in writing and approved by the Board. A copy of this is available at <https://www.diageo.com/en/our-business/corporate-governance>. No individual or group dominates the Board’s decision-making processes.

□ Further details on the Board Committees can be found in the separate reports from each committee on pages 111-147, and details of the Executive Committee can be found on pages 94-95.

**Board skills and experience**

Having an appropriate mix of experience, expertise, diversity and independence is essential for Diageo’s Board. Such diverse attributes enable the Board as a whole to provide informed opinions and advice on strategy and relevant topics, thereby discharging its duty of oversight. The Board skills matrix helps to identify the experience and expertise of existing Directors, required skill sets or competencies, and the strategic requirements of the company. The key strengths and

relevant experience of each Director are set out on pages 92 and 93, and a matrix of the Board’s current skills and experience is set out below.

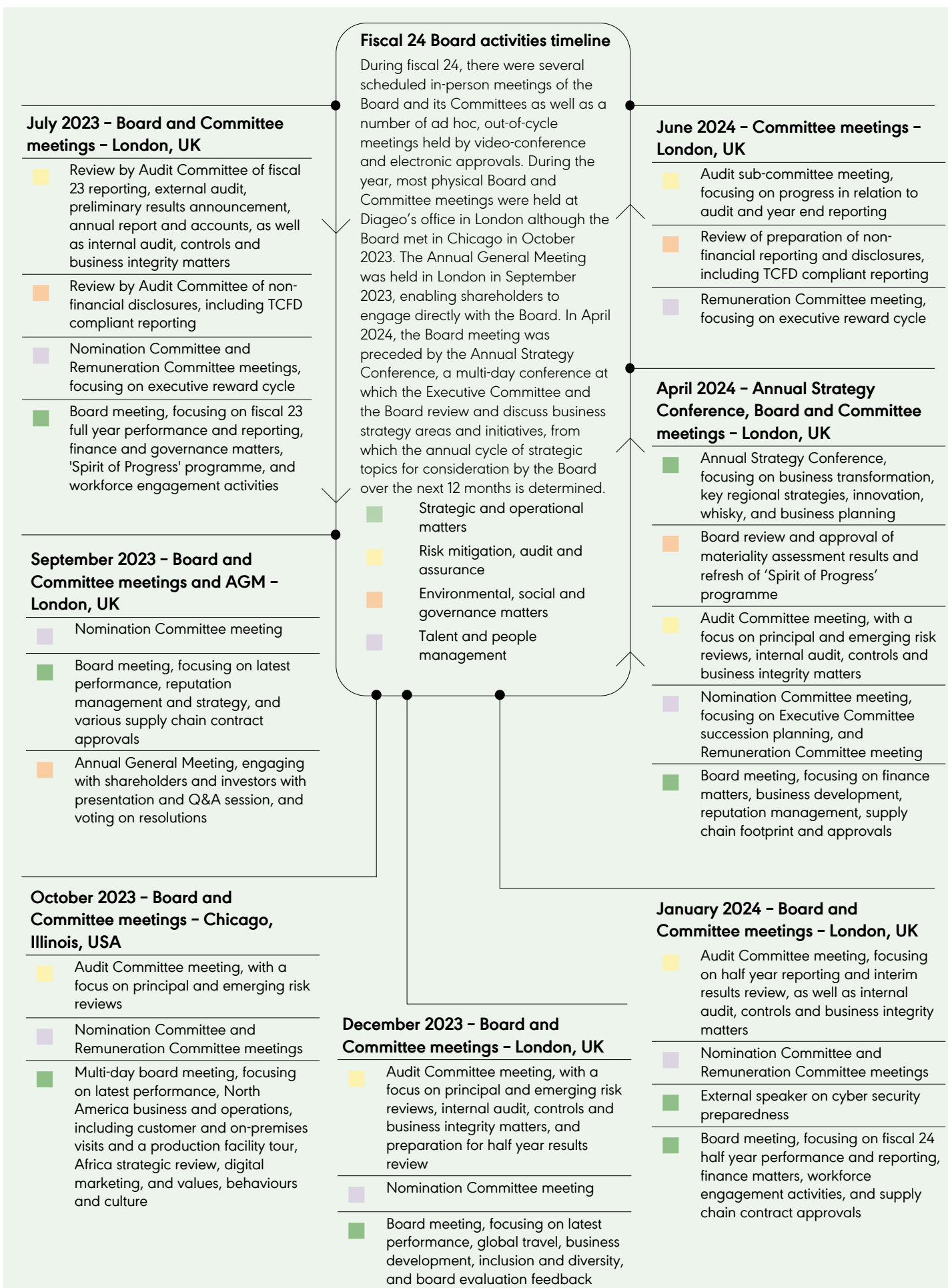


**Independence**

The Code requires the Board to state its reasons for concluding that a director is independent notwithstanding the existence of certain relationships or circumstances which are likely to impair or appear to impair the director’s independence. A non-exhaustive list of such circumstances is set out in provision 10 of the Code and include, amongst other things, the fact that a director has served on the board for more than nine years. As noted in last year’s annual report, Alan Stewart, who was first appointed to the Board in September 2014 and has therefore exceeded nine years on the Board, agreed to extend the term of his appointment to enable a smooth transition of the role of Chair of the Audit Committee. As announced on 20 February 2024, Julie Brown will be joining the Board and succeeding Alan as Chair of the Audit Committee with effect from 5 August 2024. Accordingly, Alan will retire from the Board immediately prior to the 2024 AGM and not stand for re-appointment. The Board considered the matter of Alan’s independence in light of this extension and concluded that, notwithstanding his serving for more than nine years, he continues to make high-quality contributions to Board and committee meetings, providing effective and constructive challenge to management and demonstrating objective and independent judgement. In light of this assessment, originally made in July 2023 and recently confirmed by the Board, the Board has determined that Alan Stewart remains independent.

**Board and Committee attendance**

Directors’ attendance record at the last AGM, scheduled Board meetings and Board Committee meetings, for the year ended 30 June 2024 is set out in the table shown on page 89. Directors are expected to attend all meetings of the Board and its Committees and the AGM, but if unable to do so they are encouraged to give their views to the Chair of the meeting in advance. The 2023 AGM was held as a combined physical and electronic meeting via a live webcast with all Directors attending either physically or by video link. For Board and Board Committee meetings, attendance is expressed as the number of meetings attended of the number that each Director was eligible to attend. The 2024 AGM is scheduled to be held on 26 September 2024.



### Appointment and re-appointment at AGMs

The Chair has confirmed that the Non-Executive Directors standing for re-appointment at this year’s AGM continue to perform effectively, both individually and collectively as a Board, and that each Non-Executive Director demonstrates commitment to their roles and continues to provide constructive challenge, strategic guidance and offer specialist advice, as well as holding management to account. As can be seen

from the attendance records set out on page 89, Directors’ attendance levels have been consistently high throughout the year ended 30 June 2024. Two proposed Directors, Julie Brown and Nik Jhangiani, will also stand for appointment. Further details, including biographies, are set out in the Notice of Meeting for this year’s AGM.

### Board activities

Details of the main areas of focus of the Board and its Committees during the year include those summarised below:

Areas of focus		Strategic outcomes	Stakeholders
<b>Strategic matters</b>	<ul style="list-style-type: none"> <li>Held a two-day Annual Strategy Conference (ASC) focusing on key strategic matters, including implementation of strategic transformation programmes, regional reviews of North America and Asia Pacific, whisky strategy, developments in the group's ESG programme including 'Spirit of Progress'</li> <li>Regularly reviewed the group’s performance against the strategy</li> <li>Received reports on the financial performance of the group as against the annual plan</li> <li>Reviewed the group’s governance frameworks for reputation management, tax strategy and policy</li> <li>Received reports on the macroeconomic environment, socio-political matters and emerging trends</li> <li>Carried out deep dives into key strategic topics including its operations, portfolio and footprint in North America and Africa, its digital marketing strategy, and its global travel business</li> </ul>		
<b>Operational matters</b>	<ul style="list-style-type: none"> <li>Reviewed and approved the group's three-year plan and annual funding plan, insurance, banking and capital expenditure requirements</li> <li>Regularly reviewed and approved the group’s M&amp;A and business development activities, reorganisations and various other projects</li> <li>Reviewed the group's internal culture and values, including in respect of diversity and inclusion, values and behaviours</li> <li>Approved capital expenditure investments, and various significant procurement, systems and other contracts, having taken into consideration financial, operational, sustainability and other ESG related factors</li> <li>Reviewed the company’s capital allocation, funding and liquidity positions, and those of its pension schemes</li> <li>Reviewed and approved the company's return of capital proposals, including interim and final dividends and share buyback programme</li> <li>Approved new roles and appointments to the Board, including a new future Chair of the Board, a new Chief Financial Officer and a new Chair of the Audit Committee of the Board</li> <li>Acting through the Nomination Committee, reviewed the company’s succession planning and talent strategy</li> </ul>		
<b>ESG matters</b>	<ul style="list-style-type: none"> <li>Supervised conduct of double materiality assessment, reviewed progress in relation to the group's 'Spirit of Progress' programme and refreshed the programme in light of the initial double materiality assessment results</li> <li>Received reports on workforce engagement over the year</li> <li>Received regular investor reports</li> <li>Received regular updates on ESG matters and progress towards 'Spirit of Progress' targets</li> <li>Engaged an external facilitator to carry out evaluation of the Board’s performance, reviewed results and agreed action points</li> <li>Reviewed schedule of matters reserved for the Board and terms of reference of its Committees</li> </ul>		
<b>Assurance and risk management</b>	<ul style="list-style-type: none"> <li>Received reports in relation to material legal matters, including disputes, regulatory and governance developments, and areas of legal or regulatory risk</li> <li>On the recommendation of the Audit Committee, approved the company’s risk footprint, including reviewing and updating the principal risks</li> <li>On the recommendation of the Audit Committee, approved the company’s filings, financial and non-financial reporting including interim and preliminary results announcements, US filings and Annual Report</li> </ul>		

#### Strategic outcomes key

- Efficient growth
- Credibility and trust
- Consistent value creation
- Engaged people

#### Stakeholders key

- People
- Consumers
- Customers
- Suppliers
- Communities
- Investors
- Government and Regulators

# Stakeholder *engagement*

We aim to maintain open and positive dialogue with all our stakeholders, considering their key interests in our decision-making and communicating with them on a regular basis. This dialogue helps us build trust and respect and make choices as a business that help shape the role we play in society.

The development of strong and positive relationships between Diageo and its external stakeholders is an intrinsic part of our purpose and culture. Our stakeholders include not only business partners such as suppliers and customers, our people and workforce, but also government, consumers and the wider communities in which we operate. As noted in the company's statement on Section 172 of the Companies Act 2006 set out on page 9, in making their decisions and in discharging their duties to promote the success of the company, the Directors must have regard to the interests of its stakeholders. We have summarised below why our stakeholders are important to us, what we believe their principal interests are and how the Board and company seeks to engage and respond.

## Stakeholder and why we engage



### Our people

- People are at the core of our business
- We aim to build a trusting, respectful and inclusive culture where people feel engaged and fulfilled
- We want our people to be treated with dignity at work and their human rights respected

#### What we believe matters most to them

- Prioritisation of health, safety and well-being
- Learning and development opportunities
- Purpose, culture and benefits
- Contributing to the growth of our brands and performance
- Promotion of inclusion and diversity
- Sustainability and societal credentials

#### How the Board seeks to engage

- Active dialogue maintained throughout the year as part of the Board's ongoing workforce engagement programme
- Direct engagement through visits to offices, production and supply chain sites during the year
- Indirect engagement through feedback from works councils, employee and workforce forums, community groups, Your Voice and pulse surveys and townhall meetings

#### Reporting to the Board

- Regular reports from workforce engagement activities
- Feedback through employee surveys, including annual group-wide Your Voice survey
- Sessions on different aspects of culture, values and behaviours at Board meetings led by Chief HR Officer

#### Upcoming priorities

- Maintaining focus on simplifying internal processes, including upgrading and transforming business operations and systems
- Continuing workforce engagement activities including as part of business transformation implementation and change management



### Consumers

- Understanding our consumers is critical for our business's long-term growth
- Consumer motivations, attitudes and behaviours form the basis of our business strategy, brand marketing and innovation
- We want consumers to enjoy our products responsibly and for them to 'drink better, not more'

#### What we believe matters most to them

- Choice of brands for different occasions, including no- and lower-alcohol
- Innovation in heritage brands and creation and nurturing of new brands
- Responsible marketing
- Great experiences
- Product quality
- Sustainability and societal credentials
- Price

#### How the Board seeks to engage

- Monitoring consumer behaviours, motivations and insights
- Responding to and anticipating emerging consumer trends as part of strategic sessions, including the Annual Strategy Conference
- Regular review of business development opportunities, including active brand portfolio management
- Review of innovation pipeline as part of the Annual Strategy Conference

#### Reporting to the Board

- Regular performance updates by the Chief Executive, including on key consumer trends
- Papers prepared by strategy team on evolving consumer behaviours globally and in key regions
- Regular updates by Business Development and Innovation teams on organic and inorganic opportunities and portfolio choices

#### Upcoming priorities

- Ongoing review of portfolio and category participation opportunities
- Developing pipeline of innovation informed by consumer insights
- Enhancing marketing effectiveness through detailed understanding of consumer motivation, globally and by region or market



## Stakeholder and why we engage



### Customers

- Our customers are a broad range of businesses, large and small, on-trade and off-trade, retailers, wholesalers and distributors, digital and e-commerce
- We want to nurture mutually beneficial relationships to deliver joint value and great consumer experiences

#### What we believe matters most to them

- A portfolio of leading brands that meets evolving consumer preferences
- Identification of opportunities that offer profitable growth
- Insights into consumer behaviour and shopper trends
- Trusted product quality
- Innovation, promotional support and merchandising
- Availability and reliable supply and stocking
- Technical expertise
- Joint risk assessment and mitigation
- Sustainability and societal credentials

#### How the Board seeks to engage

- Regular review of innovation pipeline and inorganic opportunities to ensure a broad portfolio at multiple price points
- Review of supply chain footprint to ensure efficient delivery of products to customers
- Direct engagement with key customers during market visits

#### Reporting to the Board

- Regular performance updates by the Chief Executive, including customer and route-to-consumer concerns
- Deep dive reviews on key regions or markets, such as Great Britain and North America, including consideration of key customer relationships and ways of working

#### Upcoming priorities

- Scheduling face-to-face meetings for Directors to meet representatives of key customers during market visits and throughout Board calendar
- Enhancing relationships between the company and its customers through engagement opportunities



### Suppliers

- Our suppliers, service providers and agencies are experts in their fields
- We rely on them to deliver high-quality products and market responsibly
- We collaborate with them to improve our collective impact, ensure sustainable and resilient supply chains, and make positive contributions to society

#### What we believe matters most to them

- Strong, mutually beneficial partnerships
- Strategic alignment and growth opportunities
- Fair contract and payment terms
- Collaboration to realise innovation
- Consistent performance measures
- Joint risk assessment and mitigation
- Sustainability and societal credentials

#### How the Board seeks to engage

- Periodic review of supply chain footprint in key markets to ensure resilience and flexibility, monitoring environmental impacts and efficiencies
- Review and approval of material supply and procurement contracts including for critical raw materials
- Supporting management in improving supplier relationships through fair contract and payment terms, compliance with Diageo's 'Partnering with Suppliers Standard' and working collaboratively to mitigate environmental impacts and achieve ESG goals

#### Reporting to the Board

- Terms of material contracts with suppliers are reviewed by the Board
- Periodic updates provided to the Board in relation to supply chain agility programme rollout
- Proposals put to the Board include summaries of potential implications for suppliers as a key stakeholder group

#### Upcoming priorities

- Continued focus on rollout of supply chain agility programme
- Monitoring impact of supply chain disruption on operations
- Supervision of initiatives to improve sustainability and supply chain resilience



### Communities

- We aim to create long-term value for the communities in which we live, work, source and sell
- We can help build thriving communities and strengthen our business through empowering people, increasing access to opportunities and championing inclusion and diversity

#### What we believe matters most to them

- Impact of our operations on the local economy
- Access to skills development, employment and supplier opportunities
- Inclusion, diversity and tackling inequality in all forms
- Responsible use of natural resources, biodiversity and sustainability
- Transparency and engagement

#### How the Board seeks to engage

- Setting targets and monitoring progress on broader societal matters, including promoting positive drinking, inclusion and diversity
- Considering the environmental and social consequences for communities of its key decisions, including encouraging inclusion and diversity, equal employment opportunities, skills development and support for communities and through wider value chains

#### Reporting to the Board

- Reports provided to Board on progress made in relation to 'Spirit of Progress' targets
- Proposals put to the Board include summaries of potential implications for local communities
- Reports on macroeconomic and socio-political events provided to Board by management

#### Upcoming priorities

- Enabling acceleration of key aspects of 'Spirit of Progress' targets, including in respect of positive drinking and water stewardship
- Increased focus on carbon reduction initiatives

**Stakeholder and why we engage****Governments and regulators**

- The regulatory environment is critical to the success of our business
- We share information and perspectives with those who influence policy and regulation to enable them to understand our views on areas that can impact public health and our business

**What we believe matters most to them**

- Compliance with applicable laws and regulations
- Contribution to national and local economic development and public health priorities
- International trade, excise, regulation and tackling illicit trade
- Tackling harmful drinking and the impact of responsible drinking initiatives
- Climate change and water sustainability agendas, including carbon reduction, human rights, environmental impacts, sustainable agriculture, biodiversity and support for communities

**How the Board seeks to engage**

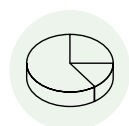
- Indirect engagement through periodic updates from the Chief Executive and corporate relations executives
- Review of macroeconomic and geopolitical developments as part of strategy sessions
- Updates on regulatory developments, including in relation to non-financial reporting, corporate governance and public policy

**Reporting to the Board**

- Reports on socio-political events and issues periodically provided to the Board
- Developments in regulatory matters, including governance and reporting obligations, are included in biannual reports to the Board prepared by management

**Upcoming priorities**

- Monitoring developments in regulation and best practice in respect of non-financial reporting requirements, corporate governance and audit regime
- Supporting management's advocacy in relation to key public policy matters including water stewardship, positive drinking, inclusion and diversity

**Investors**

- We want to enable equity and debt investors to have an in-depth understanding of our strategy, our operational, financial and holistic performance, so that they can more accurately assess the value of our business and the opportunities and risks of investing in it

**What we believe matters most to them**

- Strategic priorities, opportunities and risks
- Financial performance
- Corporate governance
- Leadership credentials, experience and succession
- Executive remuneration policy
- Shareholder returns
- Environmental, inclusion and diversity, and social commitments and progress

**How the Board seeks to engage**

- Regular engagement between key investors and Chief Executive and Chief Financial Officer through Investor Relations programme of events
- Participation in investor conferences such as the Consumer Analyst Group of New York meeting (CAGNY)
- Hosting investor events such as the Capital Markets Event held in New York in November 2023
- Attendance at the Annual General Meeting in September 2023, including responding to questions from shareholders

**Reporting to the Board**

- Monthly reports compiled by Investor Relations team provided to the Board, providing details on engagement sessions with investors and key trends
- Chief Executive reporting investor sentiment to the Board as part of regular updates at Board meetings, including feedback following participation at analyst and investor conferences

**Upcoming priorities**

- Continued proactive engagement with investors through structured programme of engagement activities over the year
- Preparing for the Annual General Meeting to be held in September 2024
- Engaging directly with investors through post-results announcement roadshows

## Engaging with investors and shareholders

Diageo's Investor Relations (IR) team support the Chief Executive, Chief Financial Officer and other members of the Board and Executive Committee with arranging a programme of engagement events, attendance at analyst conferences, meetings and calls with a wide variety of shareholders, investors and analysts. The IR team monitor Diageo's share price performance and trading patterns, review analyst research notes and recommendations, peer group and other sector news, providing regular reports to the Board and Executive Committee. During fiscal 24, there have been over 400 meetings or calls between investors and management, including the Chief Executive, Chief Financial Officer or other members of the Executive Committee and IR team. A key example of how the company engages with investors is the Capital Markets Event held in November 2023 at which Diageo's Executive Committee highlighted the company's strategic priorities, showcased case studies of strategy being put into action, including in relation to the opportunities for whisky in India, innovation in Guinness and the rollout of tequila into new markets. These engagement events allow investors to get a more detailed understanding of our market dynamics and opportunities and how Diageo looks to grow its business, while also allowing management to have a direct dialogue with investors.



### Fiscal 24 investor activity timeline

August 2023	September 2023	October 2023	November 2023	December 2023
<ul style="list-style-type: none"> <li>Announcement of Diageo's Preliminary Results for fiscal 23 on 1 August 2023</li> <li>Roadshow by the CEO and CFO in the UK and US</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting held on 28 September 2023</li> <li>IR team held a number of one-to-one meetings and conference calls with various investors</li> </ul>	<ul style="list-style-type: none"> <li>IR team had meetings with investors on an individual and group basis</li> </ul>	<ul style="list-style-type: none"> <li>Trading update announcement</li> <li>Capital Markets Event hosted in New York by CEO, CFO and Executive Committee members</li> </ul>	<ul style="list-style-type: none"> <li>CEO, CFO and other Executive Committee members had various meetings and calls with investors</li> </ul>
January 2024	February 2024	March and April 2024	May 2024	June 2024
<ul style="list-style-type: none"> <li>Announcement of Diageo's Interim Results for fiscal 24 on 30 January 2024</li> </ul>	<ul style="list-style-type: none"> <li>Roadshow by CEO and CFO in London, New York and Boston</li> <li>CEO and CFO presented at the CAGNY conference</li> </ul>	<ul style="list-style-type: none"> <li>The CEO, CFO and IR team met with several investors, individually and in groups</li> </ul>	<ul style="list-style-type: none"> <li>Roadshow hosted by Barclays with CFO and IR team in San Francisco and Los Angeles</li> </ul>	<ul style="list-style-type: none"> <li>CFO attended Deutsche Bank Conference in Paris</li> </ul>



## Principal Board decisions

Below are some examples of the principal decisions taken by the Board during fiscal 24 as well as summaries of some of the matters referred to in Section 172 of the Companies Act 2006 which were taken into consideration by the Board.

### Creation of our Growth Ambition

#### Decision made

Supported by the group strategy team and Executive Committee, the Chief Executive has carried out a review and assessment of our strategy in light of the evolving external environment, resulting in the identification of strategic imperatives and priorities to enable future growth. This overview, which was presented to and approved by the Board, led to the creation of Diageo's Growth Ambition, further details of which are set out on pages 14-15.

#### Stakeholder considerations

Diageo's strategy has been to consistently and steadily gain share and build global brands despite various challenges and dynamic external factors, such as Covid-19, the cost of living crisis, consumer trends and stakeholder expectations. In recent years, the macroeconomic, geopolitical and societal environment has continued to be volatile seeing a period of accelerated change in many respects, including digitalisation and technological advances, while other longer-term trends, such as premiumisation, have broadly continued, albeit in a less consistent manner. The Growth Ambition has at its core the interests and demands of consumers, which vary considerably by market, and, by extension, customers. The review also considered the interests and needs of Diageo's employees and broader workforce, who need the systems, processes, structures and capabilities to enable growth by responding to and leading consumer trends appropriately. The review also considered the interests of shareholders, aiming to create value, which can be reinvested in our brands and business, and returned to shareholders.

### 'Spirit of Progress' review and refinement

#### Decision made

Diageo's ambitious global ESG action plan, 'Spirit of Progress', was launched in 2020, having been approved by the Board, with the aim to make a positive impact on people and the planet and to help create a more inclusive and sustainable world. Approaching the mid-point of the overall programme, during fiscal 24 management undertook a review of the action plan's current status and recommended a refinement and focus of resources on those targets which address our highest risks and in respect of which we can have the greatest impact. The Board approved the review and resulting refinement of these targets and priority areas.

#### Stakeholder considerations

Diageo has a longstanding commitment to carrying on its business in a sustainable and resilient way, given the importance of environmental and social responsibility and the impact that the Company has on its different stakeholder groups. For example, Diageo's workforce want to work for a company that values the environment and community in which it operates, encourages inclusion of a diverse range of people and builds respect, engagement and fulfillment. Investors and shareholders benefit from business practices which are sustainable and result in consistent holistic performance, balancing resource and capital allocation over time. The review, which is described in more detail on pages 49-50, considered the underlying targets of the programme's three priority areas and the degree to which progress had been made against them, the reasons why significant progress had been made against certain targets but not against other targets, and the preliminary results of management's double materiality assessment. The review also included consideration of various external factors and uncertainties which impact our ability to achieve certain targets, how stakeholder approaches and expectations developed over time, and areas where Diageo could have a disproportionate impact through additional resource and focus. As a result of the review, Diageo will focus its efforts on those areas and targets which address our highest risks and in respect of which we can have the greatest impact, recognising the continuing importance of sustainability to our stakeholders.

### Appointment of future Board Chair

#### Decision made

The Board approved the appointment of Sir John Manzoni, an existing Non-Executive Director, as Chair of the Board effective on or around 5 February 2025, succeeding Javier Ferrán, who will be standing down in his ninth year on the Board.

#### Stakeholder considerations

The Board considered Sir John Manzoni's record since joining the Board in 2020, having made high-quality contributions to Board and committee meetings, providing effective and constructive challenge to management and demonstrating objective and independent judgment. The Board considered that Sir John facilitated constructive Board relations in a manner which was consistent with the Board's transparent and open culture, and had supported the current Chair in instilling appropriate values, behaviours and culture in the Board and senior management. Sir John has extensive leadership experience across a number of complex and fast-changing sectors, in the UK and globally, including in executive and non-executive capacities within the private sector as well as in the UK civil service. His experience in the public sector, working with government, civil service and regulators, would be particularly beneficial to Diageo. Sir John's current appointments and commitments were also noted, including his roles on other company boards, in light of the commitments and demands of the role, as was the fact that he was independent on appointment, as required by the Code, and remained independent. Overall, the Board concluded that Sir John was the most suitable candidate and that his appointment as Chair would be of benefit to the company, its shareholders and wider stakeholders.

## Wider stakeholder engagement

Diageo has ambitious goals across a variety of social and environmental targets and has a long track record of working with stakeholders to achieve these goals. Our ambition to be one of the best performing, most trusted and respected consumer products companies in the world can only be achieved through engagement and partnership with our stakeholders. The Board and its members have engaged directly and indirectly with a variety of its key stakeholders during fiscal 24 in order to respond to stakeholder considerations in making its decisions and determining the company's strategy and goals. These include the following activities:

- In October 2023, the Board met and engaged with customers and retailers in Chicago, touring shops and stores. During these meetings and visits, Directors discussed with customers and their staff what trends were emerging and how they were impacting sales, stock and inventory levels and consumer choice. Similarly, when meeting in April 2024 in London, the Board heard the views of senior executives from Diageo's largest on-trade customers, grocery and wholesale customers in the United Kingdom. Feedback received from customers in different markets is also reported to the Board by the Chief Executive in her regular performance summaries. Diageo partners with its customers to analyse the performance of its portfolio and marketing investment as well as market trends and consumer activity, in order to enhance the company's consumer insights tools which enhance its innovation, product development and marketing initiatives.
- Directors, both individually and collectively, have visited a number of different Diageo offices and production sites during the year. Our Chair, Chief Executive and Chief Financial Officer travel regularly to different sites around the world, but our Non-Executive Directors also visit Diageo locations. For example, in October 2023 Non-Executive Directors visited the company's packaging facility and plant in Plainfield, Illinois, as well as its newly opened Guinness Open Gate brewery and tap room in Chicago. A number of Non-Executive Directors have also visited Diageo's tequila operations and agave farms in Mexico over the course of the year. These visits enabled the Board to get a deeper understanding of the company's production processes and facilities, as well as the impact of brand homes on brand equity and consumer choice. Engaging directly with employees through these visits, as well as the regular workforce engagement sessions, is an important means of providing insights as to the complexity of managing distribution and logistics routes, inventory management and demand forecasting, informing strategic decision-making and supply chain efficiency.
- The Board has a well-established workforce engagement programme, in which each Non-Executive Director is involved in regular engagement sessions with different parts of the global workforce over the course of the year, both virtual and in person. Through these sessions, Non-Executive Directors gain insights into the company's culture which are then fed back to the company's engagement teams and used to shape our approach to people. See pages 106-107 for this year's workforce engagement statement which includes further details of how the programme has operated during the year.
- Board members, and in particular the Chief Executive and Chief Financial Officer, participate in an extensive programme of regular meetings, calls and other engagement activities with investors and analysts, co-ordinated by the Investor Relations function. See page 103 for a timeline summarising this programme, which includes highlights from fiscal 24 including the company's Capital Markets Event hosted in its New York office in November 2023 and the company's participation at the annual conference of the Consumer Analyst Group of New York held in Florida in February 2024. Materials from these sessions are available on <https://www.diageo.com/en/investors/results-reports-and-presentations>.

Further information on our stakeholders, what we think is important to them and how the Board engages and responds to them can be found on pages 100-104. Case studies summarising how stakeholder considerations were taken into account by the Board during fiscal 24, as required by Section 172 of the Companies Act, in respect of three of its principal decisions are set out on page 104.

## Executive direction and control

### Executive Committee

The Executive Committee, appointed and chaired by the Chief Executive, supports her in discharging her responsibility for implementing the strategy agreed by the Board and for managing the company and the group. It consists of the individuals responsible for the key operational and functional components of the business: North America, Europe, Africa, Latin America and Caribbean, Asia Pacific, India, Supply Chain and Procurement and Corporate. The Executive Committee focuses its time and agenda to align with the Growth Ambition and how to achieve Diageo's financial and non-financial performance objectives. Performance metrics have been developed to measure progress. There is also focus on the company's reputation. In support, monthly performance delivery calls, involving the managing directors of each market, focus on current performance. Committees appointed by the Chief Executive and intended to have an ongoing remit, including the Audit & Risk Committee, Finance Committee and Filings Assurance Committee, are shown (with their remits) at <https://www.diageo.com/en/our-business/corporate-governance>.

### Performance evaluation

The effectiveness of the Board and its Committees is vital to the overall success of the Group. The last externally facilitated evaluation of the Board had been carried out in 2020. After internal evaluations conducted in 2021 and 2022, in accordance with Provision 21 of the Code, another externally facilitated evaluation was conducted during 2023. In line with the UK Corporate Governance Code, in August 2023 the Board instructed Dr Tracy Long of Boardroom Review Limited (BRL), an independent professional consultancy which specialises in board reviews and evaluations, to conduct an externally facilitated evaluation. Dr Long and BRL have no connection with Diageo or its directors.

The purpose of the evaluation was to conduct a comprehensive review and evaluate how the Board and its Committees operate as measured against current best practice corporate governance principles and in accordance with the Code guidance. The review encouraged candid reflections from the Board in order to build on strengths, identify challenges and consider recommendations.

The evaluation was conducted through a series of one-to-one interviews with each Director as well as a number of key executives and third parties who interact frequently with the Board, an information review and observations of meetings. Dr Long attended and observed Board and Committee meetings during September and October 2023, including private meetings between Non-Executive Directors at which no Executive Directors or management were present. A report was then prepared for discussion with individual Directors and the Board as a whole.

The findings of the evaluation indicate that the Board is considered to be well governed and effective. A particular key strength of the Board is in its composition, expertise and performance as well as the contents of its meetings. Diversity, inclusion, trust and transparency are other key strengths the Board is actively committed to ensuring it reflects its consumer and global marketplace.

A summary of the key findings and recommendations was presented by Dr Long to the Board in December 2023, following which the Chair and Company Secretary determined areas of focus for approval by the Board.

## Key recommendations

## Actions for focus in 2024/25

### General feedback

- Continue to ensure Board members feel well integrated into the Board and company
- Ensure focus on diversity continues
- Increase lines of communication between management and Board members
- Consider opportunities for more engagement between Board members and the workforce

### Board composition and succession

- Nomination Committee to tailor induction programmes for specific new Non-Executive Directors depending on their background and experience
- Continue to increase focus on communication channels with brokers, shareholders and other stakeholders
- Enhance and align technology with the growth agenda and with testing various assumptions
- Enhance the succession planning transition process to identify potential new Board members with relevant sector experience
- Continue to review the balance of skills, expertise and knowledge of the Board
- Focus recruitment and talent pipeline on key areas for additional expertise

### People and culture

- Continue external talent search for executive and senior leader roles as well as focus on the development of internal talent
- Ensure regular structured engagement between Nomination Committee members and high potential internal candidates
- Continue to promote and protect the company's corporate culture and values
- Continue to review the talent pipeline of executives and senior management
- Review and track high potential candidates both internally and externally

### Strategy and risk

- Review and track key strategic decisions and investments focusing on medium and longer-term issues as well as emerging trends
- Allocate appropriate time and resources during Board discussions to ensure the right challenge and support is provided on strategic and operational risk reviews
- Enhance the group risk appetite statement, including in relation to description of risk appetite for principal risks
- Continue to maintain strategic focus and to monitor the changing business landscape including wider external competition and consumers
- Continue to focus on the company's approach to ESG and effective stakeholder engagement as well as shareholder communication

## Progress made against 2023/24 actions

Good progress has been made against the actions identified following last year's internally facilitated performance evaluation:

- There has been an increased focus on Board and management succession planning and ensuring a pipeline of high-quality, diverse talent.
- The Board has continued to improve the direct channels of communication between management and Board members.
- The Board has continued to develop and enhance induction process for new Directors and ensures high-quality pre-read materials, action closure and time allocation for Board meetings.

## Workforce Engagement statement

At Diageo, we believe that our people are critical to our company's success, and that creating an inclusive culture and an environment where colleagues can freely express their views and feel listened to is key to sustaining high levels of engagement and performance, as well as ensuring Diageo remains a great place to work. To understand our colleagues' experiences, we gather their feedback through both formal and informal channels. Diageo's Workforce Engagement programme is an important way for the Board to hear employees' and other colleagues' insights on key topics, including culture, strategy, and ways of working. It is also a valued opportunity for teams to have direct access to Board members.

In fiscal 24, Karen Blackett took over accountability as the designated Non-Executive Director for workforce engagement from Javier Ferrán. Karen, alongside all Non-Executive Directors, held fifteen sessions across the year, engaging with 539 colleagues from all regions, functions, and organisational levels below senior leadership. Sessions

have taken place both virtually and face to face, in line with Board members' travel, and have been highly engaging. Board members have valued the openness of conversations and the opportunity to gather insights on many positive aspects of Diageo's culture, as well as areas for improvement.

The key themes emerging from these workforce engagement discussions are:

- Diageo's culture continues to be a source of pride and a strong advantage for the business, characterised as ambitious, progressive and collaborative, as well as high quality and accessibility of leadership. Diageo's leading approach to inclusion and diversity, and the richness and growth this brings, were positive highlights in these discussions.
- Diageo's unique purpose and values are highlighted frequently as reasons colleagues join and remain at Diageo, as well as Diageo's commitment to its 'Spirit of Progress' agenda and embedded approach to doing business the right way.
- Confidence and belief in Diageo's diverse brand portfolio are key drivers of motivation for employees. Improved consumer and customer connectivity and high standards of execution in activating on our brands were highlighted as strengths, while the need to accelerate the speed of innovation to market was frequently cited as an area for improvement.
- The high calibre of talent across the business is also seen as a strength, and colleagues spoke positively about diversity in leadership and opportunities to further their learning and career development. Colleagues also highlighted the value Diageo's Employee Resource Groups bring to the business and expressed an appetite for greater access and visibility of these important groups.

- While high workloads and complex systems and processes were highlighted as barriers that can at times prevent colleagues from operating in the most efficient way, improvements in collaboration and connectivity through technology, as well as an overall cultural shift underway, were praised. Investment being made in digital, data and analytical capabilities is seen positively, and colleagues look forward to these investments improving workload and liberating burdensome processes.

These themes were also reflected in this year's engagement results seen in the global employee survey, Your Voice, which remains top quartile and above external benchmarks with 81% engagement levels and 89% pride in working for Diageo.

Insights gathered from workforce engagement sessions held by the Board, alongside broader listening tools such as the Your Voice survey, annual employee engagement and pulse surveys, have helped the company to listen and respond to the perspectives of our employees, as well as identify specific areas to further enhance our employee experience.

### Purpose, values and culture

The Board is responsible for establishing Diageo's purpose, values and culture and for monitoring how embedded that culture is within our business. Diageo has a long-established purpose and set of values which resonate strongly with our employees, as indicated by the Board's engagement sessions with Diageo's workforce and our employee surveys. We are very conscious that Diageo must operate with the highest standards of governance, doing business the right way, from grain-to-glass. This principle is embedded in our Code of Business Conduct and global policies, aligned with our 'Spirit of Progress' goals, and reflected in our ways of working. We are pleased that we have a strong reputation for inclusion and diversity which reflects our values, attracts the best talent and enables our people to succeed.

There are a number of ways in which the Board monitors and assesses culture, including:

#### Site visits

Directors are encouraged to visit the group's offices, production facilities and sites in different markets and regions so that they can get a better understanding of the business and interact with employees and the wider workforce. During fiscal 24, Board meetings have been held in the company's headquarters in London on a number of occasions, enabling Directors to meet and interact with employees, including with members of the local management team for Great Britain. The Board has also met in Chicago where they met members of the North America executive team and visited our spirits production facility at Plainfield, Illinois. Various Directors have also travelled to other locations, including our tequila operations in Mexico. These site visits enable Directors to meet and discuss issues with local management and workforce members, to observe Diageo's safety and sustainability processes working in practice and to assess how effectively Diageo's culture is communicated and embedded across a variety of geographies, functions and roles. As part of the Board's workforce engagement programme, Non-Executive Directors regularly hold in-person and virtual meetings, townhalls, focus groups and question and answer sessions with Diageo employees in different locations over the course of the year.

#### Employee surveys

The Board receives reports from the Chief HR Officer on the results of the company's global annual 'Your Voice' survey, including levels of employee engagement, employee perceptions of Diageo's purpose and of their line managers (including net promoter scores), and any themes raised. The survey results also give visibility of areas on which management must continue to focus. Results of this year's 'Your Voice' survey are described on page 55.

### SpeakUp allegation reporting

Regular reports are provided by the Business Integrity team to the Audit Committee, providing information and data on reported allegations of breaches of the Code of Business Conduct and other group policies, including those received through our confidential and independent whistleblowing service SpeakUp. These reports also include analyses of emerging trends, investigation status reports and closure rates, and summaries of actions taken. These reports enable the Directors to gain an understanding of common issues and action planning, as well as providing insights into how embedded Diageo's purpose, values and culture are across its markets and functions.

For more details of the SpeakUp service, see pages 53 and 114.

### Workforce engagement programme

Insights drawn from the Board's annual programme of workforce engagement are used by the Board to monitor and assess the culture of the company, with recommendations being fed back to management regularly with workforce engagement being discussed at Board meeting sessions twice a year. Over the past few years, the engagement programme has enabled all Non-Executive Directors to participate by directly engaging with employees from a variety of regions, functions and levels in the business. During fiscal 24, Karen Blackett has carried out the role of Non-Executive Director with responsibility for workforce engagement. For more information on workforce engagement, see page 106.

# How the Board monitors *culture*





## Additional information

### Internal control and risk management

An ongoing process has been established for identifying, evaluating and managing risks faced by the group. This process, which complies with the requirements of the Code, has been in place for the full financial year and up to the date the consolidated financial statements were approved and accords with the guidance issued by the FRC in September 2014, entitled 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'. The Board confirms that, through the activities of the Audit Committee described below, a robust assessment of the principal and emerging risks facing the company, including those that would threaten its business model, future performance, solvency or liquidity, has been carried out. These risks and their mitigations are set out above in the section of this Annual Report dealing with principal and emerging risks on pages 77-85.

The Board acknowledges that it is responsible for the company's systems of internal control and risk management and for reviewing their effectiveness. The Board confirms that, through the activities of the Audit Committee described in its report, it has reviewed the effectiveness of the company's systems of internal control and risk management. During the year, the Audit Committee considered the nature and extent of the risks that the Board was willing to take to achieve its strategic goals and reviewed the existing internal statement of risk appetite, which had been updated this year by the Executive Audit & Risk Committee, following which the Audit Committee made a recommendation to the Board which was then approved. The Audit Committee reviews the company's principal risks regularly throughout the year in accordance with a schedule proposed by management with each such risk being reviewed by management in the Audit & Risk Committee or other management steering groups prior to it being considered by the Audit Committee. The Board also regularly reviews emerging and disruptive risks as part of its Annual Strategy Conference, held this year in April in London, from which a number of topics are identified for more detailed review by either the Board or the Audit Committee over the following 12 months. The company has in place internal control and risk management systems in relation to the company's financial reporting process and the group's process for the preparation of consolidated accounts. Further, a review of the contents of the company's public filings and disclosures, including its consolidated financial statements and non-financial disclosures, is completed by management through the Filings Assurance Committee to ensure that the contents of the company's interim and preliminary results announcements, Annual Report and Form 20-F appropriately reflect the non-financial and financial position and results of the group. Further details of this are set out in the Audit Committee report on pages 111-117.

### Viability statement

In accordance with the Code, the Board has also considered the company's longer-term viability, based on a robust assessment of its principal and emerging risks. This was done through the work of the Audit Committee which recommended the Viability statement to the Board. For further information about how the Board has reviewed the long-term prospects of the group, see page 86.

### Going concern

Management prepared 18 month cash flow forecasts which were also sensitised to reflect severe but plausible downside scenarios taking into consideration the group's principal risks. In the base case scenario, management included assumptions for mid-single digit net sales growth, slightly growing operating margin and global TBA market share growth. In light of the ongoing geo-political volatility, the base case outlook and severe but plausible downside scenarios incorporated considerations for a prolonged global recession, supply chain disruptions, higher inflation and further geo-political deterioration. Even under these scenarios, the group's liquidity is still expected to remain strong. Mitigating actions, should they be required, are all within management's control and could include reductions in discretionary spending such as acquisitions and capital expenditure, lower level of A&P and investment in maturing stock, as well as a temporary suspension or reduction in its return of capital to shareholders (dividends or share buybacks) in the next 12 months, or drawdowns on committed facilities. Having considered the outcome of these assessments, the Directors are comfortable that the company is a going concern for at least 12 months from the date of signing the group's consolidated financial statements.

### Political donations

The group has not given any money for political purposes in the United Kingdom during the year. Our US based subsidiary, Diageo North America, Inc. made contributions solely at its own discretion to non-UK political candidates and committees in the United States, where it is common practice to do so. Contributions of approximately \$1.1 million (2023: \$1.0 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.

The US 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.

**Directors' responsibilities in respect of the Annual Report, Form 20-F and financial statements**

The Directors are responsible for preparing the Annual Report, the information filed with the SEC on Form 20-F and the group and parent company financial statements in accordance with applicable law and regulation. Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors have prepared the group consolidated financial statements in accordance with UK-adopted international accounting standards and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law). In preparing the group consolidated financial statements, the Directors have also elected to comply with International Financial Reporting Standards issued by the International Accounting Standards Board (IFRSs as issued by IASB).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the group and parent company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards, IFRSs issued by IASB have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework' and applicable law have been followed for the parent company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The Directors are responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Directors' confirmations**

The Directors consider that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's and parent company's position and performance, business model and strategy. Each of the Directors, whose names and functions are listed on pages 92-93 confirm that, to the best of their knowledge:

- the group consolidated financial statements, which have been prepared in accordance with UK-adopted international accounting standards, IFRSs issued by IASB, give a true and fair view of the assets, liabilities, financial position and profit of the group;
- the parent company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework' and applicable law, give a true and fair view of the assets, liabilities, financial position and profit of the parent company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the group and parent company, together with a description of the principal risks and uncertainties that it faces.

In accordance with section 418 of the Companies Act 2006, each of the Directors who held office at the date of the approval of the Directors' report confirm that, so far as the Director is aware, there is no relevant audit information of which the group's and parent company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the group's and parent company's auditors are aware of that information.

The responsibility statement was approved by a duly appointed and authorised committee of the Board of Directors on 29 July 2024.