

1 August 2019

Diageo plc return of capital programme

On 25 July 2019, the Board of Diageo plc approved a return of capital programme to return up to £4.5 billion to shareholders over the next three years (“the ROC Programme”).

Diageo today announces that it has entered into a non-discretionary agreement with UBS AG London Branch (“UBS”) to execute the first phase of the ROC Programme to enable the company to buy back shares. This agreement will commence 1 August 2019 and is expected to end no later than 31 January 2020 and will be for a value of up to £1.25 billion. Further execution phases of the ROC programme will be announced in due course.

UBS will make its trading decisions in relation to the company's securities independently of, and uninfluenced by, the company. Any repurchase of shares by Diageo contemplated by this announcement will be carried out on the London Stock Exchange and/or other recognised investment exchange(s).

The purpose of the buybacks is to reduce the share capital of Diageo plc. All shares repurchased will be cancelled.

The buybacks will be affected within certain pre-set parameters and in accordance with Diageo's general authority to repurchase shares, and will be conducted within the parameters prescribed by the Market Abuse Regulation 596/2014, the Commission Delegated Regulation (EU) 2016/1052 and, in the case of Diageo plc, Chapter 12 of the Listing Rules.

The above share buyback programme of up to £1.25 billion will fall within the maximum number of shares that may be repurchased pursuant to Diageo's existing general authority from shareholders to repurchase shares of 246,118,306 shares granted at its 2018 annual general meeting. A renewed general authority to repurchase shares up to a maximum of 237,177,623 shares will be sought at Diageo's forthcoming 2019 annual general meeting.

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For further information

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About Diageo

Diageo is a global leader in beverage alcohol with an outstanding collection of brands including Johnnie Walker, Crown Royal, J&B, Buchanan's and Windsor whiskies, Smirnoff, Cîroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, Tanqueray and Guinness.

Diageo is a global company, and our products are sold in more than 180 countries around the world. The company is listed on both the London Stock Exchange (DGE) and the New York Stock Exchange (DEO). For more information about Diageo, our people, our brands, and performance, visit us at www.diageo.com. Visit Diageo's global responsible drinking resource, www.DRINKiQ.com for information, initiatives, and ways to share best practice.

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