

# EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

## DIAGEO

REPORT SUBMITTED ON 23/08/2024.

**Type of business/sector:** Agri-food industry

### **Pledge 1: Positive Drinking**

We will promote positive drinking by changing the way Europe drinks for the better by celebrating moderation and continuing to address the harmful use of alcohol, expanding our programmes that tackle underage drinking, drink-driving, and binge drinking. We will create a new online platform which provides information to champion health literacy and tackle harm and educate consumers on alcohol [www.DRINKiQ.com](http://www.DRINKiQ.com)

**Baseline:** Annual global reporting over a 10-year period will take place.

Sustainability dimension	Code aspirational objective	Individual commitments	Progress on KPIs and goals (qualitative and/or quantitative):
Social	1	Diageo will reach more than one billion people with messages of moderation from its brands by 2030	We are proud to have achieved our 2030 target early, having reached more than 1.4 billion people in total with messages of moderation from fiscal 21 to the end of fiscal 23.
Social	1	Diageo will change the attitudes of five million drivers towards drink driving by 2030	We made significant progress in our last fiscal year, educating <b>1m people</b> about the dangers of drink driving through our innovative anti-drink-drive experience, 'Wrong Side of the Road', which is now live in 24 countries. We have reached a total of <b>2.2m people</b> with our anti drink-driving programmes since 2020.

Social	1	By 2030, Diageo will educate over 10 million people on the dangers of drinking underage through 'SMASHED', Diageo's award-winning alcohol education awareness programme, now operating in every continent	<b>2.2 million people</b> were educated on the dangers of underage drinking through SMASHED in our last fiscal year. Total progress to date since our baseline year of 2018 stands at over <b>5.9 million people</b> .
Social	1	Diageo will roll out a new digital platform, DRINKiQ, to lead to long-term positive change in consumers' relationships with alcohol	We are proud to have reached our 2030 target of launching DRINKiQ in every market where we live, work, source and sell, covering a total of <b>56 countries</b> and <b>23 languages</b> (where legally permissible).

### **Pledge 2: Grain-to-Glass Sustainability**

We will pioneer grain-to-glass sustainability. We commit to working towards a low-carbon future, harnessing 100% renewable energy to achieve net zero carbon emissions for direct operations and working with suppliers to reduce indirect carbon emissions by 50%.

**Baseline:** Annual global reporting over 10-year period will take place.

<b>Sustainability dimension</b>	<b>Code aspirational objective</b>	<b>Individual commitments</b>	<b>Progress on KPIs and goals</b> (qualitative and/or quantitative):
Environmental	3	Net zero direct carbon emissions (scopes 1 and 2) by 2030	In fiscal 24, we decreased greenhouse gas emissions from our direct operations by a further <b>10.7%</b> . Our Scope 1 and 2 greenhouse gas emissions reduced in total by <b>23.8%</b> from our fiscal 20 baseline.
Environmental	3	50% reduction in value chain carbon emissions (scope 3) by 2030	Despite a positive performance in fiscal 24 ( <b>-5.0%</b> ), we are still showing an increase of 13.5% compared to our fiscal 20 baseline, a year impacted by Covid-19, resulting in artificially low Scope 3 emissions.
Environmental	3	100% renewable energy for own operations by 2030	Our total renewable energy use as a percentage of total energy consumption was <b>50.3%</b> in fiscal 24, a 5.7% increase on fiscal 23.

Environmental	3	The launch of Diageo’s ‘Sustainable Solutions (DSS), a global platform that will provide non-equity funding to start-up and technology companies in order to develop to help Diageo continue to embed sustainability in its supply chain and brands	As part of this programme, in fiscal 24, we launched a DSS innovation round addressing five different water challenges, including water use efficiency and maximising the value of wastewater streams.
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**Additional comments**

While not included in our original pledges under the EU Code of Conduct, Diageo has been carrying out activities pertaining to aspirational objective number 5 (*sustained inclusive economic growth, employment and decent work for all*). Diageo will update its commitments under the EU Code of Conduct to include these programmes. In the meantime, please find more details below:

Sustainability dimension	Code aspirational objective	Individual commitments	Progress on KPIs and goals (qualitative and/or quantitative):
Social	5	Provide business and hospitality skills to 200,000 people, increasing employability and improving livelihoods through Learning for Life (L4L) and our other skills programmes by 2030	In our last fiscal year, we reached <b>36.000 people</b> through our business and hospitality skills programmes in 36 countries and territories with L4L, over 50% of them women. Since 2020, we reached <b>98.000 people</b> . Through Diageo Bar Academy we provide accessible training and resources aiming to create a sustainable, inclusive, and thriving hospitality industry that works for all. In fiscal 24 we continued to deliver in-person and online training to hospitality workers, with an emphasis on women, in Africa (Zambia, Mozambique, Cameroon) and India to support their industry progression.
Environmental	4	Reduce water use in our operations with a 40% improvement in water use efficiency in water-stressed areas by 2030	Our focus on water-stressed areas has continued to deliver strong water use efficiency performance with a <b>6.2%</b> improvement versus fiscal 23 and 21.3% improvement since our fiscal 20 baseline. This was primarily driven by the continuous improvement initiatives at our sites in East Africa, where we further optimised our water recovery plants.

Environmental	4	Reduce water use in our operations with a 30% improvement across the company by 2030	Our performance across the company on water use efficiency has improved by <b>3.7%</b> in comparison to the previous year and by 15.6% since our fiscal 20 baseline.
Environmental	4	Deliver a 10% reduction in packaging weight by 2030	In fiscal 24, we continued to focus our efforts across our core portfolio, and we reduced our packaging weight by <b>14%</b> , in comparison to fiscal 23. This is 1% below our 2020 baseline, despite increased production volumes from fiscal 20 to fiscal 24.
Environmental	4	Increase the percentage of recycled content in our packaging to 60% by 2030	In fiscal 24, our recycled content totalled <b>42%</b> . For glass, we increased recycled content in our Cîroc portfolio to 26% and across our green glass, we continue to push towards 95%.