

EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

DIAGEO

REPORT SUBMITTED ON 11 MAY 2023

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 alcohol-related harm, 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

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 reached 456 million people with responsible drinking messages from our brands in our last fiscal year, taking the total number of people reached to date to 823 million .
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 500,415 people 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 510,274 people 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	607,374 people 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 1.8 million people .
Social	1	Diageo will roll out a new digital platform, DRINKiQ, to lead to long-term positive change in consumers' relationships with alcohol	In our last fiscal year, we reached our 2030 target of launching DRINKiQ in every market where we live, work, source and sell, covering a total of 73 countries and 23 languages (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.

Sustainability dimension	Code aspirational objective	Individual commitments	Progress on KPIs and goals (qualitative and/or quantitative):
Environmental	3	Net zero direct carbon emissions (scopes 1 and 2) by 2030	We reduced greenhouse gas emissions by 5.3% in our last fiscal year, despite year-on-year increases in packaged and distilled volume.
Environmental	3	50% reduction in value chain carbon emissions (scope 3) by 2030	Our Scope 3 emissions increased by 4.7% in our last fiscal year. This was mainly due to increased production and the associated increased use of raw materials, packaging, third-party operations, and neutral-spirit sourcing.
Environmental	3	100% renewable energy for own operations by 2030	Renewable energy represented 41.2% of our total energy use in our last fiscal year. This was driven by increases in our use of both renewable electricity and renewable fuel and heat.

Environmental	3	The launch of Diageo's 'Sustainable Solutions, 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, we're partnering with EXXERGY and Ardagh Group to pilot a glass coating that has the potential to 'light-weight' our bottles without compromising strength or shape – an industry first.
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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	We reached 22,230 people through our business and hospitality skills programmes in our last fiscal year. We continued to deliver L4L in person and online, working in partnership with our network of charities and training providers. 64% of beneficiaries of our L4L programme were women, up from 51% last year. Furthermore, we updated L4L to tackle barriers to ethnic minorities working in hospitality. As part of our commitment to inclusion and diversity, we also adapted L4L to support Ukrainian refugees in Belgium and Poland.
Social	5	Through the Diageo Bar Academy (DBA) we will deliver 1.5 million training sessions, providing skills and resources to help build a thriving hospitality sector that works for all	To date, we have trained 309,830 hospitality workers through the Diageo Bar Academy. DBA also supports the development of a more diverse and inclusive hospitality sector; we continue to increase the participation of women, and run women-only sessions in Africa and India.