

EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

DIAGEO

REPORT SUBMITTED ON 29/08/2025.

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

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 already last year, having reached more than 1.4 billion people in total with messages of moderation. Our brands continue to make moderation the popular choice and drive positive drinking attitudes around the world. Our aim is to provide world class information through DRINKiQ https://www.drinkiq.com The right information empowers consumers to make the right choices and DRINKiQ is one of the most important tools we have in promoting moderation and addressing the harmful use of alcohol.
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 1.6m people about the dangers of drink driving through our innovative anti-drink-drive experience, 'Wrong Side of the Road', which is now live in 26 different

			modules. We have reached a total of 3.8m 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	2.0 million 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 8.2 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	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 56 countries and 23 languages (where legally permissible).

Pledge 2: Grain-to-Glass Sustainability

Our sustainability strategy acknowledges the breadth of the environmental and social consequences of a changing climate and our dependencies on nature and people. It recognises the interlinkages between climate, nature, agriculture and people, and the connections to our value chain. Our strategy, underpinned by targets, addresses our most material impacts, risks and opportunities, primarily related to water use and greenhouse gas emissions. In 2020, we set ambitious environmental sustainability goals as part of our Sprit of Progress action plan. Over the past five years we have reduced our Scope 1 and 2 emissions by around 19% and reduced our Scope 3 emissions by 10%*. We have done this through our continued investment into renewable energy, implementing sustainable packaging solutions and making strategic decisions about where to produce our brands.

Our strategy reflects the complexity of the challenges faced by society and the environment and is reviewed regularly as regulations evolve or we gain more information on the timeframe required to address systemic issues, like greenhouse gas emissions. We are proud of our accomplishments to date, including reaching several of our goals earlier than planned. However, we have identified several critical external factors beyond our control that influence the timing and pace of our efforts. Some of these challenges include wider energy infrastructure availability, appropriate policy frameworks, consumer acceptance, financing solutions and cost burdens which need to be shared. To truly deliver our sustainability goals, we will continue to work in partnership with other companies, our broader supply chain, governments and the communities we serve. Only by joining forces can we scale solutions, influence broader change and build a more inclusive and sustainable future. Whilst the fundamentals of our strategy to preserve water and take a focused approach to greenhouse gas emission reductions have not changed, we undertook a review of the targets we use to measure progress. These adjustments, which have been made with the insight and learning of five years emission reduction work and were conducted as part of our regular update of Science Based Targets initiative (SBTi) targets, have resulted in changes to greenhouse gas emission reduction percentages and timeframes to achieve those reductions. This means that we have revised our aspirations across several targets this year, accelerating our ambition across water and regenerative agriculture while reconsidering the scale and pace of decarbonisation and packaging optimisation.

As of FY26, with stronger insights into process and delivery of our goals we have adjusted some of our carbon goals for the next phase which will give us a stronger, more credible path forward. Our revised emission targets are more granular, use a new and more representative baseline and importantly have been externally approved across our entire decarbonisation journey. They have been validated by the Science Based Targets initiative (SBTi) for near-term [2030] and long-term and now cover our full net zero journey with greater detail, aiming to reach net zero by 2050. Our targets remain data driven and long-term goals are still aligned to a 1.5 degree warming pathway.

We also updated our baseline year to fiscal 22 to align to normalised production levels, which were not impacted by the Covid-19 pandemic and adjusted packaging targets in alignment with our revised value chain emissions reductions targets. Our new FY22 baseline is the starting point for all our emission targets (Scopes 1, 2 and 3) including our underpinning Forestry, Land and Agriculture (FLAG) SBTi targets. These agriculture focused targets which represent 15-20% of our scope 3 footprint, are now incorporated into our overall emission targets and ensure we prioritise initiatives that reduce land management and land use change impacts alongside our energy and industry emission reduction opportunities.

With our updated Scope 1 and 2 target for 2030, our 100% renewable energy goal by 2030 is no longer compatible and will be superseded by the SBTi target requirements. We however remain fully committed to our target of 100% renewable electricity by 2030 through our RE100 target.

Our Scope 3 greenhouse gas emissions have decreased by 10.2% compared to our fiscal 22 baseline. We will continue to improve our supplier engagement and our Scope 3 decarbonisation roadmaps, particularly focusing on mapping our FLAG initiatives, targeting areas that deliver emission reductions and value for the business. We recognise that external factors are the driver of Scope 3 emissions, which is why we continue to engage with our key suppliers to enhance our Scope 3 data and to find solutions together.

We also reframed our packaging targets due to both external factors and our growth ambitions, shifting our focus to recycled content of our packaging, with lightweight packaging reporting focused on examples, rather than a formal target. We have also reduced our recycled content target to be more in line with industry-standards.

Our revised targets include:

- Reducing our scope 1 and 2 emissions by 50% by 2030, reaching net zero in direct operations by 2040.
- Reducing our scope 3 emissions by 26% by 2030 and achieving net zero across scopes 1, 2 and 3 by 2050.
- Increasing the percentage of recycled content in our packaging to 50% by 2030.
- Implementing 10 regenerative agriculture programmes by 2030.

* Emission performance from FY25 annual report against new FY22 baseline

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 35.000 people through our business and hospitality skills programmes in 36 countries and territories with L4L, over 50% of them women. Since 2020, we reached 133.000 people . Through Diageo Bar Academy, we aim to foster a thriving and inclusive hospitality sector that works for all. In fiscal 25, we continued to provide highly accessible educational resources and training. Our resources are designed to help hospitality workers meet guests' expectations, upskill new hires and support their career progression and wellbeing. We led dedicated training and mentoring sessions in areas where we see opportunities to support women's advancement within the hospitality sector.
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 2.6% improvement versus fiscal 24 and 20.6% 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 3.3% in comparison to the previous year and by 15.8% since our fiscal 20 baseline.