

Performing against our 2030 targets¹

Target by 2030	KPI	Commentary
 Promote positive drinking		
Champion health literacy and tackle harm through DRINKIQ in every market where we live, work, source and sell SDG alignment: 3.4; 3.5; 17.16	Number of markets that have launched DRINKIQ 29	We launched an updated version of our DRINKIQ platform this year, with comprehensive information on alcohol and health and a new screening tool to identify whether users are drinking at higher risk levels. By the end of June 2021, we had 33 sites live in 29 geographies. Some have sites in more than one language, including the United States, where DRINKIQ is available in English and Spanish.
Scale up our SMASHED partnership, and educate 10 million young people, parents, and teachers on the dangers of underage drinking SDG alignment: 3.5; 12.8; 17.16	Number of people educated on the dangers of underage drinking through a Diageo supported education programme 210,443^A	SMASHED began as a live theatre-based education programme in 2005. We sponsored the development of SMASHED Online this year to include interactive activities that help educate young people about the dangers of underage drinking. Where Covid-19 restrictions allowed, we ran SMASHED Live in a number of countries and this year we launched SMASHED Online in five countries, reaching 35,420 people so far. Survey data shows that of the 210,443 ^A educated this year, 195,544 ^A or 93% confirmed changed attitudes on the dangers of underage drinking following participation in a Diageo supported education programme. We have educated a total of 1.2 million people since 2018.
Extend our UNITAR partnership and promote changes in attitudes to drink driving reaching five million people SDG alignment: 3.5; 3.6; 12.8; 17.16	Number of people educated about the dangers of drink driving 9,859	This year we educated 9,859 people about the dangers of drink driving. We developed an innovative new drink drive online module which aims to change attitudes about drink driving. We launched 'The Wrong Side of the Road' initiative in Great Britain in May 2021. While Covid-19 delayed its roll out in many markets, we aim to scale the programme quickly over the next 12 months.
Leverage Diageo marketing and innovation to make moderation the norm – reaching one billion people with dedicated responsible drinking messaging SDG alignment: 3.5; 12.8; 17.16	Number of people reached with responsible drinking messages from our brands 367m	We reached 367 million people this year, reflecting both significant progress towards our 2030 goal and enhanced data capture and measurement. We moved to a more systemic process of measurement led by our media partners OMG, leading to increased data capture, which has driven a significant increase in our reported performance. Setting market-level targets helped drive progress. A leading contribution came from Latin America, with Mexico delivering a cross-brand campaign from Smirnoff, Johnnie Walker, Don Julio and Black & White which reached over 46 million consumers.
 Champion inclusion and diversity		
Champion gender diversity with an ambition to achieve 50% representation of women in leadership roles by 2030 ² SDG alignment: 5.5; 8.1; 10.2; 10.4	Percentage of female leaders globally 42%^A	Each of our markets has stretching multi-year inclusion and diversity plans which include a focus on developing a strong pipeline of female talent. We have exceeded our previous female leadership representation goals (35% by 2020 and 40% by 2025) and have set a further ambitious goal, aiming for 50% female leadership representation by 2030. This year, 42% ^A of our leadership roles were held by women.
Champion ethnic diversity with an ambition to increase representation of leaders from ethnically diverse backgrounds to 45% by 2030 ² SDG alignment: 10.2	Percentage of ethnically diverse leaders globally 37%^A	We have identified ethnicity as a global inclusion and diversity priority, defining similarly ambitious goals for ethnic diversity as we have for gender. This year we created and launched a progressive Ethnic Diversity Framework to support our markets in creating plans that cover talent representation and development, supplier ethnic diversity and inclusive marketing. We aim to increase representation of leaders from ethnically diverse backgrounds to 45% by 2030. Currently voluntary ethnicity data collection is live in 61 countries where it is legally permissible. In these countries over 80% of employees across all levels have disclosed their ethnicity information confidentially. 37% ^A of leadership roles are currently held by people from ethnically diverse backgrounds.
We will use our creative and media spend to support progressive voices, measuring and increasing the percentage spend year on year SDG alignment: 5.5; 5B; 10.2; 10.4	Measurement and evaluation framework under development	This year we updated our Progressive Portrayal framework to be at the forefront of breaking stereotypes in advertising for gender, race, sexuality and age, and have used the framework to train nearly 2,000 internal and external people so far. We continue to break boundaries and work with inclusive talent that reflects our broad consumer base – for instance with Guinness's Never Settle campaign, which launched in May 2021 to redress the imbalance of coverage of women's rugby. We continue to work with our advertising agencies and partners to ensure our creative teams are as diverse as the consumers who enjoy our products. We are in the third year of collecting insight about the makeup of our agency workforce and have now gone beyond gender to also look at ethnicity and age. We continue to partner with Creative Equals globally on the Creative Comeback programme and work with the Unstereotype Alliance. We have committed to a multi-million sterling media investment over the next two years to media platforms and publishers who are working to make mainstream media more diverse and inclusive. We are currently developing a robust measurement and evaluation framework for this target and will be reporting quantitatively against it in the future.

Target by 2030	KPI	Commentary
Accelerate inclusion and diversity in our value chain, measuring and increasing the percentage of Diageo suppliers from female and minority owned businesses year on year ² SDG alignment: 5.5; 5B; 10.2; 10.4	Percentage of suppliers with female and minority ownership N/A	We aim to build a robust and sustainable supplier base that reflects the regions in which we operate. We are measuring and increasing the percentage of diverse-owned and -operated suppliers, year on year. We provide equal opportunities to all suppliers to compete for our projects. We are developing our Supplier Diversity programme by leveraging the best practice from our work in North America over the past six years (where we more than doubled our spend with diverse suppliers) and extending the programme and targets to all markets. We aim to report on this next year. We are also looking at ways to work collaboratively with suppliers and agencies to drive greater diversity within their organisations. We are currently developing a robust measurement and evaluation framework for this ambition and will be reporting quantitatively against it in the future.
Provide business and hospitality skills to 200,000 people, increasing employability and improving livelihoods through Learning for Life (L4L) and our other skills programmes SDG alignment: 4.4; 8.1; 8.6; 10.2; 17.16	Number of people reached through L4L and other skills programmes 8,631	This year we reached 8,631 people through our skills programmes. Covid-19 had a devastating effect on the hospitality sector, but we were able to continue to deliver our L4L programme where it was most needed. We pivoted our programmes to work online, in partnership with our network of charities and training providers, to allow us to continue to provide effective support. The success of the programme in helping to build careers in hospitality was highlighted with Bianca Lima, a 2019 L4L graduate, becoming the champion of cocktail competition Diageo World Class™ in Brazil.
Through the Diageo Bar Academy we will deliver 1.5 million training sessions providing skills and resources to help build a thriving hospitality sector that works for all SDG alignment: 4.4; 8.1; 8.6; 10.2; 17.16	Number of training sessions delivered through Diageo Bar Academy 113,447	We delivered 113,447 skills training sessions to hospitality industry workers (owners, managers, bartenders and waiting staff) through Diageo Bar Academy (DBA) this year. DBA has various ways to deliver courses (physical training, virtual training, e-learnings and master classes). This year, virtual training became increasingly important and enabled us to continue to reach and upskill people. We modified many of our courses to help address the unique challenges of continued industry lockdowns and re-openings, including training for businesses on adapting their infrastructure to keep employees and customers safe. DBA also supports the development of a more diverse and inclusive hospitality sector: we have increased the participation of women in DBA training, and run women-only training sessions in Africa and India.
Ensure 50% of beneficiaries from our community programmes are women and our community programmes will be designed to enhance ethnic diversity and inclusion of underrepresented groups SDG alignment: 5.5; 5A	Percentage of beneficiaries of our community programmes who are women 51%	This year 51% of beneficiaries from community programmes were women. Currently we include female beneficiaries from registered skills programmes, where we can accurately track the gender of participants through their registrations. In the future, we plan to use qualitative impact assessment protocols (QUIP) where it is currently challenging to accurately measure female beneficiaries, such as for water sanitation and hygiene programmes. We are also researching the best way to support people from ethnically diverse backgrounds in the hospitality sector.



Pioneer grain-to-glass sustainability: Preserve water for life

Reduce water use in our operations with a 40% improvement in water use efficiency in water-stressed areas and 30% improvement across the company SDG alignment: 6.4	Percentage improvement in litres of water used per litre of packaged product 7.7%^Δ	We delivered a 7.7% ^Δ improvement in water efficiency this year and cumulatively, water-use rates have improved by over 53% since our water stewardship programme began in 2007. Water efficiency improved by 12.1% in water-stressed areas. In addition, the volume of water we recycled or reused in our own production was 843,115m ³ , representing 5% of total water withdrawals. The Africa region's water stewardship work has been particularly successful this year. Key water recycling and reuse facilities are now operational in Kenya and Uganda, and we have begun construction of water recycling facilities in both our Nigerian sites. This year, 33,830m ³ of water were used for agricultural purposes on land under our operational control. We report this separately from water used in our direct operations.
Replenish more water than we use for our operations for all of our sites in water-stressed areas by 2026 SDG alignment: 6.1; 6.2; 6.6; 6B; 15.1	Percentage of water replenished in water-stressed areas 12.7%	Our refreshed water replenishment programme had a strong year despite the challenges of implementation in areas under lockdown. We exceeded our target for the year, completing a total of 20 projects in nine countries, which replenished 583,656m ³ of water, representing 12.7% of our target for 2026. Given the importance of handwashing during the Covid-19 pandemic, we prioritised WASH projects (see below), but we also completed tree planting, dam desilting, drip irrigation and aquifer recharge projects in water-stressed catchments where we operate or source raw materials.
Invest in improving access to clean water, sanitation, and hygiene (WASH) in communities near our sites and local sourcing areas in all of our water-stressed markets SDG alignment: 6.1; 6.2; 6.6; 6B; 15.1	Percentage of water-stressed markets with investment in WASH 89%	The Covid-19 pandemic made it an especially important year for implementing WASH projects in vulnerable communities. As part of our replenishment programme we completed 13 WASH projects in seven countries: Tanzania, Nigeria, Ghana, Uganda, Ethiopia, Kenya and South Africa. 54,691 people benefitted from these WASH projects this year.

1. All baselines for our 'Society 2030: Spirit of Progress' 2030 targets and ambitions are 2020, unless otherwise stated
2. Statements on representation are ambitions for Diageo and should not be considered a target

Δ Within PwC's limited assurance; see page 201 for further details

Target by 2030	KPI	Commentary
Engage in collective action in all of our priority water basins to improve water accessibility, availability and quality and contribute to a net positive water impact SDG alignment: 6.1; 6.2; 6.5; 6.6; 6A; 6B	Percentage of priority water basins with collective action participation 15%	We have built on our history of participation in collective action by creating a new, structured collective action programme that is fundamental to our water and climate change risk strategies. Our assessment identified 13 priority water basins in 11 countries on four continents, based on water risk and strategic importance to our business. We have developed detailed guidance on collective action for our markets, consulting with key external stakeholders and we have made our guidelines open source to encourage adoption by more companies. We are participating in collective action in two priority water basins. In the Santiago/Lerma basin in Mexico we joined a new initiative called 'Charco Bendito' comprising many food and beverage companies. In the Spey basin in Scotland we continued our support for the multi-stakeholder Spey Catchment Initiative.



Pioneer grain-to-glass sustainability: Accelerate to a low carbon world

Become net zero carbon in our direct operations (Scopes 1 and 2) SDG alignment: 7.2; 7.3; 12.6; 13.3	Percentage reduction in absolute GHG (ktCO ₂ e) 5.1%^Δ	Diageo's total direct and indirect carbon emissions (location/gross) ¹ this year were 691,999 ^Δ tonnes (2020 – 702,204 tonnes), comprising direct emissions (Scope 1) of 549,469 tonnes (2020 – 568,720 tonnes), and indirect (Scope 2) emissions of 142,530 tonnes (2020 – 133,484 tonnes). The intensity ratio for this year was 177 ^Δ grams per litre packaged (2020 – 195 grams per litre packaged). ¹ This year we reduced GHG emissions by 5.1% ^Δ , building on our 2020 achievement of a 50% reduction in absolute emissions. This emissions reduction was despite a year-on-year increase of 9.9% in packaged volume and 16.3% in distilled volume. As markets opened back up after lockdown restrictions, there have been some increased emissions associated with production growth, especially from sites in Africa, Mexico and the United Kingdom. Reductions were driven by increased use of on-site renewable energy, particularly in India and the use of renewable energy attribute certificates, including through green gas certificates generated by converting distillery co-products. Some capital investments were delayed in this financial year due to lockdown restrictions but the associated benefits are on track to be delivered in the next financial year. Our annual targets to achieve net zero by 2030 in Scope 1 and 2 emissions have been calculated in accordance with the principles of Science Based Targets initiative (SBTi) and have been submitted to the SBTi for validation. This year we have made progress in line with our expectations and are on track to achieve this goal. Our Scope 3 target of net zero by 2050 is also aligned with the principles of the SBTi.
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Reduce our value chain (Scope 3) carbon emissions by 50% ^{2,3} SDG alignment: 7.2; 7.3; 7A; 12.6; 13.3; 17.16	Percentage reduction in absolute GHG (ktCO ₂ e) (2.1)%	Our new target of reducing Scope 3 emissions by 50% by 2030 and achieving a net zero value chain by 2050 or sooner triggered a comprehensive review of our total value chain footprint and associated emissions. Consequently, we re-set our baseline, incorporating additional categories of Scope 3 upstream and downstream emissions. This year our value chain Scope 3 emissions increased by 2.1%. This was mainly due to increased production and its associated increased use of raw materials, packaging, third-party operations and neutral spirit sourcing, as well as a relatively depressed new baseline year of 2020, which was affected by Covid-19. We remain committed to accelerating progress on reducing total value chain emissions and working collaboratively with our suppliers and partners in future years. We have added the Scope 3 target to our Partnering with Suppliers standard, which is reflected in our procurement contracts.
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Use 100% renewable energy across all our direct operations SDG alignment: 7.2; 7A; 17.16	Percentage of renewable energy across our direct operations 36.0%	Our total renewable energy increased to 36% this year, an increase of 2.6% on the prior year. The main drivers of this progress are programmes switching from fossil fuel to renewable sources, including wider use of biomass and renewable electricity. As a signatory to the RE100 global initiative committed to 100% renewable electricity, we aim to source 100% of our electricity from renewable sources by 2030. This year, 66.4% of electricity consumed was from renewable sources such as wind, hydro and solar (2020: 66%), exceeding our 2025 interim target of 50%. In the United Kingdom, 100% of our electricity came from renewable sources.
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Pioneer grain-to-glass sustainability: Become sustainable by design

Achieve zero waste in our direct operations and zero waste to landfill in our supply chain SDG alignment: 12.5; 12.6	Percentage reduction in total waste to landfill (tonnes) 97.5%^Δ	We maintained zero waste to landfill ² at all our supply and office sites through continuous improvement, ongoing segregation of materials at our sites and close collaboration with partners. This year we started to identify and baseline our waste to landfill footprint in supply chains. We have also added the target to our Partnering with Suppliers standard, which is reflected in our procurement contracts.
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Target by 2030	KPI	Commentary
Continue our work to reduce total packaging and increase recycled content in our packaging (delivering a 10% reduction in packaging weight and increasing the percentage recycled content of our packaging to 60%)	Percentage reduction of total packaging (by weight) (3.6)%	As a result of the on-trade closures due to Covid-19, there was an increase in the use of cans rather than returnable kegs which resulted in an increase in our overall packaging weight of 3.6%. Aside from this challenge, our work with Pulpex on a paper-based bottle has demonstrated the potential to reduce the packaging weight of a bottle by 95%, which we anticipate will debut with Johnnie Walker in fiscal 23. This and other innovative approaches will be central to delivering this target.
	Percentage of recycled content (by weight) 42.8%	The recycled content in our packaging was 42.8%, a decrease of 3% compared with last year because less 'cullet' (recycled glass) was available in our main markets. Over 85% of our finished packaged product uses glass and glass recycling infrastructure has been severely impacted by Covid-19.
Ensure 100% of our packaging is widely recyclable (or reusable/compostable) SDG alignment: 12.2; 12.6	Percentage of packaging recyclable (by weight) 99.5%	The application of the 'widely recyclable' definition across all our markets will require some further work to embed a universal definition for subsequent years' reporting. As last year, 99.5% of our packaging is recyclable by our previous definition. The remaining non-recyclable components are currently either technically or operationally not replaceable, and we continue to explore alternatives for these residual materials.
Achieve 40% average recycled content in our plastic bottles by 2025 (and 100% by 2030) ⁴ SDG alignment: 12.5; 12.6	Percentage of recycled content/percentage of plastics used 5.4%	We have made solid progress with 5.4% recycled content in all plastic (PET) bottles globally and we have moved certain formats to 100% recycled content. While just 2% of our packaging is made from PET, we nonetheless consider this an important target.
Ensure 100% of our plastics is designed to be widely recyclable (or reusable/compostable) by 2025 ⁴ SDG alignment: 12.5; 12.6	Percentage of recyclable (or reusable/compostable)/percentage of plastic used 66.8%	We are encouraged by the innovative approach in our South Africa market to ensure our Smirnoff and Captain Morgan PET formats were adapted to enable the PET bottles to be widely recyclable or reusable. This contributes to the PETCO initiative in market where 56,500 tonnes of PET was collected for reuse. The remaining non-recyclable plastic components are challenging to displace, however we will continue to explore alternatives. This year, we created a set of Global POS (point-of-sale) Sustainable Guidelines for our marketing teams which will be fully implemented next year. We reduced the use of single use plastic cups in Europe, moved to 100% recycled and recyclable paper in North America with our key POS supplier, and reduced material waste and obsolescence within our warehouses.
Provide all of our local sourcing communities with agricultural skills and resources, building economic and environmental resilience (supporting 150,000 smallholder farmers) SDG alignment: 2.3; 2.4; 8.3; 12.2; 12.3	Number of smallholder farmers who we have provided with, or facilitated access to, initiatives providing agricultural skills and a minimum of three inputs N/A	On-farm practices in our farmer network vary widely in maturity. Some growers already use sustainable and regenerative practices, while others still need to adapt. Moving to regenerative agriculture across this network is a substantial step requiring understanding and planning, and we have focussed this year on building our strategy and engaging market teams through a new Regenerative Agriculture Community of Practice to share learnings and build capability. We are also building a baseline of supplier and market maturity and assessing the materiality of issues to create implementation plans for next year and beyond. We have developed a number of tools which will be rolled out to suppliers and farmers. We are currently developing a robust measurement and evaluation framework for this target and will be reporting quantitatively against it in the future.
Develop regenerative agriculture pilot programmes in five key sourcing landscapes SDG alignment: 15.2; 15.3; 15.5; 15A; 17.16	Number of regenerative agriculture pilot programmes active N/A	To help suppliers and farmers overcome potential barriers, we will partner with them to implement regenerative, on-the-ground projects that help test new farming approaches and practices, measure impacts, and disseminate learnings. To make these initiatives effective, we are working on understanding where our current grower groups are operating, what practices they may be considering adopting, and where we can best support them in partnership and collaboration with others. We are exploring new technologies that will allow us to plan, define and frame pilot programmes. One example is a collaboration project targeting our growers in Scotland and Ireland, which aims to gather on-farm data using satellite imagery and deep data analysis to establish a baseline of existing carbon footprint and other on-farm environmental metrics. We are currently developing a robust measurement and evaluation framework for this target and will be reporting quantitatively against it in the future.

1. We use the World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol as a basis for reporting our emissions, and we include all facilities where we have operational control for the full financial year
2. Please refer to our reporting methodologies for more information on how data has been compiled, including standards and assumptions used

3. A comprehensive review of Scope 3 categories has increased the fiscal 20 baseline to 4,87 MtCO₂e
4. These targets were introduced in 2018
△ Within PwC's limited assurance; see page 201 for further details