

**Company Name** Diageo  
**Industry** Agricultural Products (Supply Chain only)  
**Overall Score (\*)** 51.9 out of 100

Theme Score	Out of	For Theme
5.7	10	A. Governance and Policies
15.9	25	B. Embedding Respect and Human Rights Due Diligence
6.7	15	C. Remedies and Grievance Mechanisms
7.5	20	D. Performance: Company Human Rights Practices
10.4	20	E. Performance: Responses to Serious Allegations
5.7	10	F. Transparency

(\*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2019 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

## Detailed assessment

### A. Governance and Policies (10% of Total)

#### A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: General HRs commitment: Diageo's Human Rights Policy states that they 'respect each other's human rights as articulated in the Universal Declaration of Human Rights, a declaration we are committed to delivering in its entirety, throughout our business and value chain.' [Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>Met: UNGC principles 1 &amp; 2: Diageo is a signatory of the United Nations Global Compact. [Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>Met: UDHR: See above [Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>Met: International Bill of Rights: The Company states in its Code of Conduct: 'We fully endorse and support the principles enshrined in the International Bill of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work.' [Code of Conduct: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Met: UNGPs: In its Modern Slavery Act 2018 Statement, the Company indicates: 'We have been signatories to the UN Guiding Principles on Business and Human Rights (UNGPs) since 2014.' [Code of Conduct: <a href="http://diageo.com">diageo.com</a> &amp; Modern Slavery Act Statement 2018, Dec 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>
A.1.2	Commitment to respect the human rights of workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: ILO Core: The Company's Code of Business Conduct and Human Rights Policy includes ALL four ILO elements and UNGC principles 3-6 and H&amp;S for both</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>own employees and suppliers. [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a> &amp; Code of Conduct: <a href="https://diageo.com">diageo.com</a>]</p> <ul style="list-style-type: none"> <li>• Met: UNGC principles 3-6: See above [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a> &amp; Code of Conduct: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Explicitly list All four ILO for AG suppliers: The Partnering with suppliers code states that the Company expects its suppliers to act in accordance with the Guiding Principles on Business and Human Rights and the eight core International Labour Organisation conventions, and it includes explicitly, among others, child labour, forced labour, freedom of association and collective bargaining, and discrimination. With respect freedom of association and collective bargaining, the document indicates: 'We expect our suppliers to allow employees the freedom of association and collective bargaining in accordance with applicable laws and regulations.' In addition, in its S&amp;R Performance Addendum to Annual Report 2018, the Company states: 'In countries where the right to freedom of association is restricted by law, we support the development of alternative means of representing employees' interests, by investing in individual consultations.' [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="https://diageo.com">diageo.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Explicit commitment to All four ILO Core: As indicated above, the Company's Code of Business Conduct and Human Rights Policy includes ALL four ILO elements and UNGC principles 3-6. With respect freedom of association and collective bargaining, it states: 'We respect our employees' choice to join or not join a trade union or other organisations of their choice and to bargain collectively in support of their mutual interests. In countries where the right to freedom of association is restricted by law, we support the development of alternative means to facilitate the representation of employees' interests.' [Code of Conduct: <a href="https://diageo.com">diageo.com</a> &amp; Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Respect H&amp;S of workers: This code also states that 'Diageo is committed to maintaining safe and secure working conditions for employees and contract workers. We expect our suppliers to have the same approach' and includes explicitly, among others, health and safety policy and safe working environment. [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a> &amp; Code of Conduct: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: H&amp;S applies to AG suppliers: See above [Code of Conduct: <a href="https://diageo.com">diageo.com</a> &amp; Partnering with suppliers - our code for suppliers, Sep 2017: <a href="https://diageo.com">diageo.com</a>]</li> </ul>
A.1.3.AG.a	Commitment to respect human rights particularly relevant to the industry - land and natural resources (AG)	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Respect land ownership and natural resources: In its Sustainable Agriculture Strategy, the Company indicates: 'We are committed to respecting human rights in every workplace, farm and community where we operate. Our Human Rights Policy outlines our approach and is supported by other relevant policies and guidelines. We strive to demonstrate our commitment through our actions, and by developing fair and effective solutions to issues such as land rights disputes and unfair working conditions.' However, the statement ('we strive to demonstrate our commitment...') is not a clear commitment to respecting ownership of the land and natural resources. On the other hand, in its Sustainable Agriculture Guidelines, the Company says: 'The following Standards set out our requirements for suppliers in our agricultural supply chains: [...] Respect the land rights of communities, including indigenous peoples, aligned to the principle of free, prior and informed consent (FPIC).' However, it is not clear whether the standards apply for Company's own operation. [Strategy for Sustainable Agriculture, Jul 2016: <a href="https://diageo.com">diageo.com</a> &amp; Sustainable Agriculture Guidelines, Jun 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Respecting the right to water: In its 'Water Blueprint' document, the Company indicates: 'This work, principally delivered through our Water of Life Programme, is underpinned by our support for the human right to water and sanitation, as stated in SDG 6, the WHO/UN joint declaration, as well as collaborative work on water, sanitation and hygiene (WASH).' [Water Blueprint: Our Strategic Approach to Water Stewardship, Jun 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Expecting suppliers to respect these rights: In its Code for suppliers, the Company indicates: 'We expect our suppliers to respect the land rights of communities, including indigenous peoples.' In addition, it states: 'We expect our suppliers to understand their water usage in context of local availability and quality and manage it appropriately to support sustainable water stewardship. [...] We expect our suppliers to continually strive to reduce their environmental impacts and manage their natural resources efficiently. This includes implementing measures to prevent pollution, minimise the use of energy and production of waste and manage water responsibly.' In addition, in its Supplier Business Toolkit, the</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Company indicates: 'Follow all applicable national laws relating to the rights of land and natural resources; Ensure land acquisitions and changes of use are made respecting the rights of individuals and communities impacted; Conduct due diligence around land rights and title during the development of new business opportunities and seek free, informed, prior consent' [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="https://diageo.com">diageo.com</a> &amp; Supplier Business toolkit, Mar 2018: <a href="https://diageo.com">diageo.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Voluntary Guidelines on Tenure Rights</li> <li>• Not met: IFC Performance Standards</li> <li>• Not met: FPIC for all</li> <li>• Not met: Zero tolerance for land grabs</li> <li>• Met: Respecting the right to water: See above</li> <li>• Met: Expecting suppliers to respect these rights: See above. In its Supplier Business Toolkit, the Company indicates: 'Follow all applicable national laws relating to the rights of land and natural resources; Ensure land acquisitions and changes of use are made respecting the rights of individuals and communities impacted; Conduct due diligence around land rights and title during the development of new business opportunities and seek free, informed, prior consent' [Supplier Business toolkit, Mar 2018: <a href="https://diageo.com">diageo.com</a> &amp; Partnering with suppliers - our code for suppliers, Sep 2017: <a href="https://diageo.com">diageo.com</a>]</li> </ul>
A.1.3.AG.b	Commitment to respect human rights particularly relevant to the industry – people's rights (AG)	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Women's rights: In its updated Human Rights Policy, the Company states: 'Our Human Rights Policy is informed by the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights to Work, the Children's Rights and Business Principles, UN Global LGBTI Standards of Conduct for Business, UN Women's Empowerment Principles and the UN Global Compact, to which we are signatories. By committing to these international frameworks, we are dedicated to enriching the workplace.' [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Children's rights: See above [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Migrant worker's rights: The Company states in its Human Rights Policy: 'We are committed to protecting the rights of all workers in our value chain, including migrant workers who may be only temporarily present.' [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Expects suppliers to respect these rights: In addition, it indicates: 'Through appropriate contractual arrangements and our Global Partnering with Suppliers standard we make our suppliers aware of and expect their compliance with our human rights commitments.' [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: CEDAW/Women's Empowerment Principles: See above [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Not met: Expecting suppliers to respect these rights</li> </ul>
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to stakeholder engagement: In its Human Rights Policy, the Company states: 'we are also committed to engaging with communities alongside all our stakeholders, both local and global. At a local level, employees across Diageo's business engage their colleagues, local governments, suppliers, farmers, customers, media, civil society and community groups on issues of immediate concern to them. At a global level, we engage investors, customers, suppliers, and multinational organisations such as United Nations agencies or NGOs.' [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Regular stakeholder engagement: On its website section 'Stakeholder Engagement', the Company indicates: 'We want to understand the expectations, needs and concerns of anyone who is affected by what we do and where we operate. This means listening to our stakeholders and learning from what they tell us. [...] Our stakeholders range from employees to investors to corporate partners, and from consumers to communities, farmers and governments. We actively engage stakeholders at both local and global levels.' In addition, in its 2018 Sustainability &amp; Responsibility Report, the Company indicates: 'We engage a range of external stakeholders, including policymakers, civil society, peer companies, the media, regulators, our communities and consumers to understand how they view our activities on an annual basis in a formal programme led by our Corporate Relations function. This programme considers our performance and reputation economically, socially and environmentally' [Stakeholder Engagement, Mar 2019: <a href="https://diageo.com">diageo.com</a>]</li> </ul>

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			<p><a href="https://www.diageo.com">diageo.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://www.diageo.com">diageo.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement: The Company reports the following: 'Increasingly we also take note of stakeholders' opinions and comments via social media and reflect the findings of these in our planning and activity. This year we carried out digital media reviews of consumers' opinions on plastics and packaging, water and other environmental issues. We also carried out a review of longer-term scenarios with Forum for the Future, an independent not-for-profit think tank, to help us think about activity and programmes that will take us to 2050. [...] We review materiality on an ongoing basis, in light of stakeholder comments including those arising from our Corporate Relations engagement programme, financial analysis and external developments including the SDGs and Paris Climate Agreement. This year we also considered the results of our long-term scenario planning activity with Forum for the Future. This year's review has not led to any fundamental changes to our materiality matrix, and has reinforced our current approach. However, no details found on engagement with affected stakeholders (or their representatives) in design and/or monitoring of human rights approach. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://www.diageo.com">diageo.com</a>]</li> </ul>
A.1.5	Commitment to remedy	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to remedy: In its updated Human Rights Policy, the Company indicates: 'We have policies and processes in place to identify, prevent and mitigate human rights risks and to provide remedy to any adverse impact we have caused or contributed to by our operations.' [Human Rights Policy, Jul 2018: <a href="https://www.diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <li>• Not met: Collaborating with other remedy initiatives</li> <li>• Not met: Work with AG suppliers to remedy impacts</li> </ul>
A.1.6	Commitment to respect the rights of human rights defenders	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Zero tolerance attacks on HRs Defenders (HRDs): In its updated Human Rights Policy, the Company states: 'We do not tolerate threats, intimidation, physical or legal attacks against human rights defenders, including those exercising their rights to freedom of expression, association, peaceful assembly and protest against the business or its operations.' [Human Rights Policy, Jul 2018: <a href="https://www.diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Expects AG suppliers to reflect company HRD commitments: See above. In addition, its Human Rights Policy indicates: 'Through appropriate contractual arrangements and our Global Partnering with Suppliers standard we make our suppliers aware of and expect their compliance with our human rights commitments.' [Human Rights Policy, Jul 2018: <a href="https://www.diageo.com">diageo.com</a>]</li> </ul>

### A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: CEO or Board approves policy: The Company's code of business conduct and global HR policy are signed by the CEO. [Human Rights Policy, Jul 2018: <a href="https://www.diageo.com">diageo.com</a> &amp; Code of Conduct: <a href="https://www.diageo.com">diageo.com</a>]</li> <li>• Met: Board level responsibility for HRs: The Chief Executive, Ivan Menezes, is ultimately accountable for performance against sustainability and responsibility goals (including HRs issue), and reports directly to the Board. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://www.diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Speeches/letters by Board members or CEO</li> </ul>
A.2.2	Board discussions	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Board/Committee review of salient HRs: In its website section 'Management and Governance', the Company indicates: 'Our sustainability strategy has been endorsed at the highest level in our business and is being embedded into all our operations. Our CEO, Ivan Menezes, and the Executive Committee are ultimately accountable for performance against our sustainability goals. [...] General managers monitor performance in their local market on a routine basis. The Executive Committee meets to discuss global strategy,</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			performance, policies and risks twice a year. The Board of Directors signs off any changes to our sustainability strategy at our annual Strategy Conference.' [Management and Governance, Mar 2019: <a href="http://diageo.com">diageo.com</a> ] • Not met: Examples or trends re HR discussion Score 2 • Not met: Both examples and process
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Incentives for at least one board member • Not met: At least one key AG HR risk, beyond employee H&S Score 2 • Not met: Performance criteria made public

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: Commits to ILO core conventions: See indicator A.1.2 • Met: Senior responsibility for HR: In its S&R Performance Addendum, the Company indicates: 'Our Chief Executive, Ivan Menezes, is ultimately accountable for performance against sustainability and responsibility goals, and reports directly to the Board. Responsibility for the component parts of our Sustainability & Responsibility Strategy is shared between members of Diageo's Executive Committee, all of whom report to the Chief Executive, as outlined in 102-20. Regional presidents and local managing directors are responsible for implementing the Sustainability & Responsibility Strategy locally and driving performance. Senior executives are accountable for each aspect of the Sustainability & Responsibility Strategy, which is led by the Global Sustainable Development Director.' [Sustainability & Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a> ] Score 2 • Met: Day-to-day responsibility: In its Human Rights Policy, the Company indicates: 'Responsibility for day-to-day delivery of our Code and Human Rights Policy is everybody's responsibility. We communicate our Code and Human Rights policy throughout our business and, alongside our Partnering with Suppliers standard, to all our suppliers around the world. Also, all of our teams receive routine training in our Code, with a focus on key human rights risk potentially arising in their area of work where appropriate.' In addition, in its website section 'Management and Governance', the Company indicates: 'At the local/market level, where much of our sustainability work takes place, our regional presidents and general managers have frontline responsibility. They are supported by our Global Sustainability Director and team. The markets are also supported by Executive Committee members representing global functions.' [Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a> & Management and Governance, Mar 2019: <a href="http://diageo.com">diageo.com</a> ] • Met: Day-to-day responsibility for AG in supply chain: See above. In its website section 'Management and Governance', the Company indicates that the President, Global Supply Water and the environment is responsible for: Our people (safety), Sustainable supply chains (responsible sourcing and sustainable agriculture)'. [Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a> & Management and Governance, Mar 2019: <a href="http://diageo.com">diageo.com</a> ]
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Senior manager incentives for human rights • Not met: At least one key AG HR risk, beyond employee H&S Score 2 • Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	1	The individual elements of the assessment are met or not as follows: Score 1 • Met: HR risks is integrated as part of enterprise risk system: In its Annual Report 2018, the Company lists its principal risks, among them: 'Failure to manage key sustainability risks or meet key sustainability goals. Harm to future growth either directly; or Indirectly via reputational impact reducing trust amongst consumers and other stakeholders.' Human rights assessment program is part of the actions

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>put in place by the Company to face these risks. [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Audit Ctte or independent risk assessment: In its Annual Report 2018, the Company indicates: ' Our Executive Audit and Risk Committee regularly receives reports on the risks faced by the business and the effectiveness of risk management efforts. Our Executive updates the group's risk assessment annually, and this is independently reviewed by the Board.' However it is not clear how the Company assess the adequacy of the enterprise risk management system in managing human rights. [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to ILO core conventions: See indicator A.1.2</li> <li>• Met: Communicates its policy to all workers in own operations: In its S&amp;R Performance Addendum, the Company indicates that in order to mitigate no compliance with its Code, it provides 'Periodic training, communications and engagement activities to refresh employee understanding.' In addition, it states that during 2017 it 'Retrained all employees on Code through eLearning module and face-to-face events with integrated compliance certification.' The Code of Business conduct has been translated into 19 different languages. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2017, 2017: <a href="http://diageo.com">diageo.com</a> &amp; Code of Conduct: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Commits to all 4 ILO core conventions: See indicator A.1.2</li> <li>• Not met: Communication of policy commitments to stakeholder: In its updated Human Rights Policy, the Company indicates: ' We communicate our Code and Human Rights policy throughout our business and, alongside our Partnering with Suppliers standard, to all our suppliers around the world.' However, there is no information about how it communicates its policy to other stakeholders, such as communities and potentially affected stakeholders. [Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Not met: How policy commitments are made accessible to audience</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to all 4 ILO core conventions for suppliers</li> <li>• Met: Requiring AG suppliers to communicate policy down the chain: In its updated Human Rights Policy, the Company indicates: ' We communicate our Code and Human Rights policy throughout our business and, alongside our Partnering with Suppliers standard, to all our suppliers around the world.' It also states that 'Policies are communicated to suppliers through our Partnering with Suppliers Standard' and 'To ensure our policies are accessible and understood by employees, business partners and other stakeholders in the diverse geographic footprint we operate, they have been translated into a number of different local languages'. In its 'Partnering with Suppliers' document, the Company states: 'We are committed to promoting and respecting human rights throughout our supply chain, and expect the same from our suppliers.' [BHRC Company Action Platform, 2016: <a href="http://business-humanrights.org">business-humanrights.org</a> &amp; Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: How HR commitments made binding/contractual</li> <li>• Not met: Including on AG suppliers</li> </ul>
B.1.5	Training on Human Rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Scores at least 1 on A.1.2: See indicator A.1.2.</li> <li>• Met: Trains all workers on HR policy commitments: In its Human Rights Policy, the Company indicates: ' all of our teams receive routine training in our Code, with a focus on key human rights risk potentially arising in their area of work where appropriate.' [Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: Trains relevant AG managers including procurement: In addition, it states: 'Our people receive specific training and guidance on risks relevant to their role, such as human rights risk training for procurement and farming teams.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2: See indicator A.1.2.</li> <li>• Met: Both requirements under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.6	Monitoring and corrective actions	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Scores at least 1 on A.1.2: See indicator A.1.2.</li> <li>• Met: Monitoring implementation of HR policy commitments: In its Annual Report, the Company indicates: 'As we evolve our risk and compliance programme, making it more efficient and effective, we are starting to adopt increasingly data-driven and analytical approaches to identify areas of our business that need more focus. This year, we started to use data analytics to help us spot potential areas of risk and support our internal monitoring and reporting.' [Annual Report 2018 - Interactive, 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Monitoring AG suppliers: In its S&amp;R Performance Addendum, the Company states: 'Our Responsible Sourcing programme focuses specifically on tier one suppliers and is a comprehensive but flexible process for identifying, assessing and managing social and ethical impacts in our supply chain. The programme consists of: an initial screening; a prequalification questionnaire which covers social and ethical risks including human rights; a qualification process where suppliers assessed as a potential risk are required to register with SEDEX and complete a SEDEX self-assessment questionnaire; and independent audits of suppliers who represent a potential high risk. SEDEX is a not-for-profit organisation that enables suppliers to share assessments and audits of ethical and responsible practices with their customers. This means suppliers only have to go through one assessment process for many customers. These audits follow the SEDEX Members Ethical Trade Audit (SMETA) Four Pillar Audit Protocol, or equivalent, covering health and safety, labour standards, environment and business ethics.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2: See indicator A.1.2.</li> <li>• Met: Describes corrective action process: In its Human Rights Policy, the Company indicates: 'The standard is a contractual requirement and failure to deliver appropriate mitigation may result in a change to the ongoing business relationship and cessation of trading. We will work with our suppliers to develop, support and implement effective mitigation as appropriate.' In its 'Modern Slavery Act Statement, the Company indicates: 'As a result of the audits we commissioned, a number of issues of non-compliance were raised. The majority related to basic working conditions and, specifically, health, safety and hygiene issues, with some non-compliances relating to wages and benefits, and to working hours. As part of our Responsible Sourcing programme we are working with our suppliers to resolve the issues identified and, where required, arrange follow-up audits to verify the issues have been resolved.' [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a> &amp; Modern Slavery Act Statement 2018, Dec 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Example of corrective action: In its Modern Slavery Act Statement, the Company indicates: 'We recognise that the risk of child labour is not restricted to agriculture, but prevalent in many sectors, and we consider it as part of our supplier assessment programme. Through the audits we commissioned, we identified 34 issues of non-compliance under the category of children and young workers. Twenty-four issues related to the lack of a formal policy at the supplier's facility in relation to child labour, eight related to missing documentation to verify age and two related to the working hours of employees. Seven issues of non-compliance have been verified as closed and we are following up with the suppliers as part of their corrective action plans to ensure the other issues are resolved as well.' [Modern Slavery Act Statement 2018, Dec 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Not met: Discloses % of AG supply chain monitored: Although the Company discloses some figures about potential high-risk supplier sites audited, no information found about the percentage of supply chain monitored. [Annual Report 2018 - Interactive, 2018: <a href="https://diageo.com">diageo.com</a> &amp; Modern Slavery Act Statement 2018, Dec 2018: <a href="https://diageo.com">diageo.com</a>]</li> </ul>
B.1.7	Engaging business relationships	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: HR affects AG selection of suppliers: In its S&amp;R Performance Addendum 2018, the Company indicates: 'All suppliers of procurement-managed spend go through the screening process [...]. This includes areas such as labour standards, human rights including child labour, and legal compliance on issues such as pay.' In addition, in 2017 document, it stated: 'All suppliers are required to meet the minimum requirements set out in our Partnering with Suppliers Standard, which is a minimum contractual requirement.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://diageo.com">diageo.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2017, 2017: <a href="https://diageo.com">diageo.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: HR affects on-going AG supplier relationships: In its Human Rights Policy, the Company indicates: 'The standard is a contractual requirement and failure to deliver appropriate mitigation may result in a change to the ongoing business relationship and cessation of trading.' [Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Both requirement under score 1 met</li> <li>• Not met: Working with AG suppliers to improve performance: In the sustainable agriculture guidelines, the Company indicates that it promotes continuous improvement, and once supplier reach bronze rate, to continue improving. In its Annual Report 2018, the Company indicates: 'In 2018, we worked with industry peers under the umbrella of AIM-PROGRESS to develop a Supplier Business Toolkit, which is available on <a href="http://diageo.com">diageo.com</a>. It aims to share best practice with suppliers and provide practical guidance on how to improve productivity, quality and workforce management, by ensuring good working conditions and ethical standards.' However, no examples found. [Sustainable Agriculture Guidelines, Jun 2018: <a href="http://diageo.com">diageo.com</a> &amp; Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>
B.1.8	Approach to engagement with potentially affected stakeholders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Stakeholder process or systems: The Company lists various stakeholders on its website including farmers, local communicates, NGOs etc., and regular engagement methods with them. However, it is not clear if the engagements are conducted regarding human right related issues. In addition, the Company has skills and empowerment projects for women, the youth and farmers, however, it does not describe systems to identify affected and potentially affected stakeholders. [Stakeholder Engagement, Mar 2019: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Not met: Frequency and triggers for engagement: See above</li> <li>• Not met: Workers in AG SC engaged: In its website section 'Stakeholder engagement', the Company list different mechanisms it uses to engage with Farmers, such as: 'One-to-one meetings or conversations; Open days; Field and factory visits; Workshops with value-chain partners; Connecting farmers with finance and agri-business partners; Radio and television programmes in Africa.' However, as indicated above, is not clear how it identifies the affected stakeholders with whom to engage and both frequency and triggers. [Stakeholder Engagement, Mar 2019: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Not met: Communities in the AG SC engaged: In its website section 'Stakeholder engagement', the Company list different mechanisms it used to engage with local communities and NGO, such as: 'One-to-one meetings or conversations; Multi-stakeholder forums; Annual reviews; Ongoing partnerships'. However, it is not clear whether the Company engage with local communities in its supply chain. [Stakeholder Engagement, Mar 2019: <a href="http://diageo.com">diageo.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Analysis of stakeholder views and company's actions on them</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Identifying risks in own operations: In its S&amp;R Performance Addendum Report 2018, the Company states that it: 'continue[s] to embed human rights throughout our value chain. We do this through our comprehensive human rights impact assessment (HRIA) programme, prioritised by risk and based on a global mapping process. This programme is our opportunity to reach across our whole value chain, both within Diageo and to our suppliers, customers, and other partners. Through it, we identify those potentially affected by human rights issues, assess the risks and develop mitigation action plans. The programme is undertaken by specialists in human rights alongside our own teams, who receive training to support their role. We also ensure that those members of our own team with a direct involvement in specific areas of human rights risks such as procurement, receive training to support their role.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: Identifying risks in AG suppliers: See above [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Ongoing global risk identification: As indicated above, evidence comes from the latest report, where it is indicated is an ongoing process. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: In consultation with stakeholders: See above. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: In consultation with HR experts: As indicated above, the programme is undertaken by specialists in human rights alongside our own teams, who receive training to support their role. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: Triggered by new circumstances: See above [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: Explains use of HRIAs or ESIA (inc HR): In addition, it indicates: 'We have been signatories to the UN Guiding Principles on Business and Human Rights (UNGP) since 2014 and continue to embed human rights throughout our value chain. We do this through our comprehensive human rights impact assessment (HRIA) programme, prioritised by risk and based on a global mapping process. [...] We aim to conduct HRIAs in all markets by 2020. In 2018, we carried out HRIAs in Tanzania, Guatemala, the UK, India and Colombia, bringing our total to 12 since 2015.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Salient risk assessment (and context): As indicated in previous indicator, the Company carries out risk assessment 'prioritised by risk and based on a global mapping process. This programme is our opportunity to reach across our whole value chain, both within Diageo and to our suppliers, customers, and other partners. Through it, we identify those potentially affected by human rights issues, assess the risks and develop mitigation action plans. The programme is undertaken by specialists in human rights alongside our own teams, who receive training to support their role. We also ensure that those members of our own team with a direct involvement in specific areas of human rights risks such as procurement, receive training to support their role'. The Company carries out specific assessment by countries. In 2018 there were carried out specific ones for Tanzania, Guatemala, the UK, India and Colombia. It has covered 12 countries since 2015. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: Public disclosure of salient risks: See previews indicator. In addition, in its Annual Report 2018, the Company states: 'In line with the UNGP, we have identified three risks as particularly salient to our business: labour rights, including the risk of child labour, especially in agricultural supply networks; labour standards for contract workers; and sexual harassment in the hospitality sector.' [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Action Plans to mitigate risks: In its Annual Report 2018, the Company indicates: 'The HRIA considers our entire value chain from sourcing to selling within a market, looking at local risks. This leads to mitigation plans to address specific human rights issues or strengthen our processes to prevent them arising.[...] we have focused resources on awareness programmes around child protection, and measures to protect workers, including seasonal contract workers and sales teams working in bars.' In addition, in its Sustainability and Responsibility Report 2018, the Company states: 'Each of our markets is required to carry out a compliance risk assessment annually, including consideration of human rights, bribery and corruption, and to develop mitigation plans for their most relevant risks.' [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: Including in AG supply chain</li> <li>• Met: Example of Actions decided: In addition, it indicates: '[...] we have developed a child protection programme for our work with smallholder farmers, and initiatives aimed at preventing sexual harassment in the hospitality sector. Each market has developed an action plan to address its specific risks. We have also developed contractor standards guided by the International Labour Organization's Declaration on Fundamental Principles and Rights to Work, focused on promoting conditions in which people can work in freedom and safety'. [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: System to check if Actions are effective: In its Human Rights Policy, the Company states: ' We develop action plans and review the progress of mitigation through our routine business processes.' However, CHRB could not find further information describing a system to check if actions taken to face salient human rights issues were effective. [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Not met: Lessons learnt from checking effectiveness</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Comms plan re identifying risks: The Company communicates through its S&amp;R Performance Addendum its process and triggers for identifying human rights risks. (See indicator B.2.1) [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Comms plan re assessing risks: The Company communicates through its S&amp;R Performance Addendum its process to assess human rights risks and its salient issues. (See indicator B.2.2) [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Comms plan re action plans for risks: The Company communicates about its actions taken to face its human rights issues. (B.2.3) [Annual Report 2018 - Interactive, 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Not met: Comms plan re reviewing action plans</li> <li>• Met: Including AG suppliers: See above</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Responding to affected stakeholders concerns</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>

### C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Channel accessible to all workers: In its Annual Report 2017, the Company indicates: ' We expect anyone who comes across a breach to report it immediately, either through our confidential whistleblowing helpline SpeakUp, to their manager, or to a member of the compliance, human resources or legal teams. Our <a href="https://diageospeakup.com">diageospeakup.com</a> website, available in all our 20 Code languages, was refreshed last year to make it simpler to report and follow up on potential breaches; it is also available to our business partners.' In addition, the Company indicates in its 'How SpeakUp works' document: 'SpeakUp is a confidential service for you (the reporter) to raise concerns about our business conduct, compliance and ethics matters, or to report a suspected breach of legal, accounting or regulatory requirements, our Code of Business Conduct1 ('Code'), policies and standards, or any questionable practice. SpeakUp complements, but does not replace reporting issues to your line manager, Legal, Human Resources (HR) or Controls, Compliance &amp; Ethics (CC&amp;E) manager. If you are not a Diageo employee you are encouraged to raise your concerns with your most senior Diageo contact, the Diageo lawyer, or the market General Manager/function head.' [Annual Report 2018 - Interactive, 2018: <a href="https://diageo.com">diageo.com</a> &amp; How Speak up works: <a href="https://secure.ethicspoint.com">secure.ethicspoint.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Number grievances filed, addressed or resolved: In its S&amp;R Performance Addendum, the Company reports: 'In 2018, seven human rights allegations were raised via SpeakUp. Of the seven, five were substantiated. All but one of the seven investigations were closed out within our 60-day timeframe, demonstrating the seriousness and pace with which these matters are handled. The five substantiated cases related to: required social security fund payments not being made on behalf of employees (two cases); safety and security concerns (one case); a sub-contractor bringing on site an underage employee (one case); and treating an employee in a manner inconsistent with our Human Rights Policy (one case). We have taken action to address these issues.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Met: Channel is available in all appropriate languages: Its Ethics Point platform 'SpeakUp' is available in 21 languages: Amharic, Bahasa Indonesian, Chinese (simplified), Chinese (traditional), Dutch, English, French, German, Greek, Hindi, Italian, Japanese, Korean, Polish, Portuguese, Russian, Spanish, Swahili, Thai, Turkish, Vietnamese. [Speak up: <a href="https://diageospeakup.com">diageospeakup.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Opens own system to AG supplier workers: See above [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a> &amp; How Speak up works: <a href="http://secure.ethicspoint.com">secure.ethicspoint.com</a>]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Grievance mechanism for community: Diageo's mechanism that is available to all employees and suppliers (and potentially affected external shareholders) is SpeakUp. In addition, on its website, the Company indicates: 'The service is available 24 hours a day, 365 days a year, to all employees, contractors or any other interested party such as suppliers or customers.' [Speak up: <a href="http://diageospeakup.com">diageospeakup.com</a> &amp; How we manage compliance: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Describes accessibility and local languages: 'SpeakUp' platform is available in 21 languages, including: Amharic, Bahasa Indonesian, Chinese (simplified), Chinese (traditional), Hindi, Japanese, Korean, Swahili, Thai, Turkish and Vietnamese. In its 'How SpeakUp works' document, the Company describes the different available channel, and how each mechanism works. [Speak up: <a href="http://diageospeakup.com">diageospeakup.com</a> &amp; How Speak up works: <a href="http://secure.ethicspoint.com">secure.ethicspoint.com</a>]</li> <li>• Met: AG supplier communities use global system: See above (S1.i) [How we manage compliance: <a href="http://diageo.com">diageo.com</a> &amp; How Speak up works: <a href="http://secure.ethicspoint.com">secure.ethicspoint.com</a>]</li> </ul>
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Engages users to create or assess system</li> <li>• Not met: Description of how they do this</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Engages with users on system performance</li> <li>• Not met: Provides user engagement example on performance</li> <li>• Not met: AG suppliers consult users in creation or assessment</li> </ul>
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Response timescales: In its 'How SpeakUp works' document, the Company indicates: 'How Diageo will respond to an allegation is set out in the Breach Management Global Standard. The response will depend on the information provided, and there is no presumption that a report to SpeakUp will automatically trigger a formal investigation.' However, the Breach Management Global Standard is not available in the public domain. In its S&amp;R Performance Addendum, the Company indicates: 'In 2018, seven human rights allegations were raised via SpeakUp. Of the seven, five were substantiated. The company state that they aim to address complaints 60-day timeframe, demonstrating the seriousness and pace with which these matters are handled.' [How Speak up works: <a href="http://secure.ethicspoint.com">secure.ethicspoint.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: How complainants will be informed: It also indicates: 'If you make a report and provide your name, then subject to specific in-country procedures, you should expect to be informed who the case leader is, and how and when they will contact you during any investigation. [...] Communication will be more difficult if you choose to remain anonymous. However by using your unique reference number or PIN, you can follow up on progress with your report and see whether investigators require further information.' [How Speak up works: <a href="http://secure.ethicspoint.com">secure.ethicspoint.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Escalation to senior/independent level: And finally, this document states: 'If an investigation is required, one Diageo employee will take responsibility for being the case leader, and following through on the allegation – including ongoing communication with the reporter. This employee may be different from the individual(s) conducting the investigation.', 'The majority of allegations will be referred to the Market CC&amp;E managers to determine next steps, including whether it requires formal investigation. Where there are valid concerns about the independence of a market led investigation, or where the allegations made are considered sufficiently serious to require management by a global team, the GR&amp;C team will decide how to respond. A definition of issues that require oversight by a global team is contained within the Breach Management Global Standard.' However, the Management Global Standard document is not available in the public domain. [How Speak up works: <a href="http://secure.ethicspoint.com">secure.ethicspoint.com</a>]</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public statement prohibiting retaliation: In its 'How SpeakUp works' document, the Company states: 'Diageo has a zero-tolerance towards retaliation against anyone who has reported an allegation or supported an investigation in good faith. Any form of retaliation is considered to be a breach of our Code and</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>therefore will be treated very seriously.[...]If you witness or are subject to retaliation, you should report it to Legal, HR, CC&amp;E or to SpeakUp, providing as much information as possible.' In addition, in its Human Rights Policy, the Company indicates: 'Our SpeakUp whistleblowing phone line and web reporting tool can be accessed by employees or by those in our value chain. Where matters are brought to us, we are committed to protect the rights of those reporting matters, and we do not tolerate reprisal against anyone who raises a matter.' [How Speak up works: <a href="https://secure.ethicspoint.com">secure.ethicspoint.com</a> &amp; Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</p> <ul style="list-style-type: none"> <li>• Met: Practical measures to prevent retaliation: In addition, it indicates: 'You may remain anonymous, and if so no attempt will be made to determine your identity through electronic means. [...] Anyone involved in an allegation should have an expectation of confidentiality – your name will only be made available on a “need to know” basis. If you are interviewed during an investigation, you are required to maintain confidentiality and not share with anyone details of your interview or involvement. Failure to do so may be considered a breach of our Code.' The speak up platform is handled by a third party. [How Speak up works: <a href="https://secure.ethicspoint.com">secure.ethicspoint.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Has not retaliated in practice</li> <li>• Met: Expects AG suppliers to prohibit retaliation: As indicated in previous indicators, Diageo’s Speak Up mechanism is available to all employees and suppliers (and potentially affected external shareholders). In addition, on its website, the Company indicates: 'The service is available 24 hours a day, 365 days a year, to all employees, contractors or any other interested party such as suppliers or customers.' Therefore suppliers and stakeholders have access to the Company’s mechanisms. [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> </ul>
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Won't impede state based mechanisms</li> <li>• Not met: Complainants not asked to waive rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Will work with state based or non judicial mechanisms: In its Human Rights Policy, in the section about 'How to report a breach', the Company states: 'Where appropriate we will also engage with local judicial or non-judicial grievance mechanisms to address matters.' [Human Rights Policy, Jul 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Not met: Example of issue resolved (if applicable)</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided: In its Annual Report 2018, the Company indicates: 'we have identified three risks as particularly salient to our business: labour rights, including the risk of child labour, especially in agricultural supply networks; labour standards for contract workers; and sexual harassment in the hospitality sector. [...] Having identified these risks, we have focused resources on awareness programmes around child protection, and measures to protect workers, including seasonal contract workers and sales teams working in bars.' However, CHRB could not find further information describing how the Company provide remedy to the victims. [Annual Report 2018 - Interactive, 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Changes introduced to stop repetition: In its Annual Report, the Company indicates: 'We have developed a child protection toolkit for markets where we have identified a risk, and initiatives aimed at preventing sexual harassment in the hospitality sector. We have also developed contractor standards guided by the International Labour Organization’s Declaration on Fundamental Principles and Rights to Work, focused on promoting conditions in which people can work in freedom and safety.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://diageo.com">diageo.com</a>]</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.1.b	Living wage (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Living wage in supplier code or contracts: The Partnering with suppliers code states that 'We expect our suppliers to ensure employees are paid a fair wage, according to at least the legal minimum standards or appropriate industry standards, whichever is higher'. However the Company does not describe how this fair wage is defined, whether it cover the worker and its family necessities plus a discretionary income, or how it is taken into consideration in the identification and selection of suppliers or how it works with them to improve their living wage practices. [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Not met: Improving living wage practices of suppliers: In the 'Supplier Business Toolkit' (written by Partner Africa with the support of different Companies including Diageo), the Company provides its suppliers with practical assistance on how to improve in several areas, including Wages and Benefits and sets out some expectations : 'Pay wages according to at least the legal minimum standards or appropriate industry standards, whichever is higher; Provide the legally required benefits to all workers; Best practice: Beyond this, suppliers should work towards providing workers with a pay and benefits package that supports an adequate standard of living ('living wage'/ 'fair wage'). However, no evidence found of how the company actively support suppliers achieve the living wage. [Supplier Bussiness toolkit, Mar 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.2	Aligning purchasing decisions with human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Avoids business model pressure on HRs (purchasing practices)</li> <li>• Not met: Positive incentives to respect human rights (purchasing practices)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
D.1.3	Mapping and disclosing the supply chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Identifies suppliers back to manufacturing sites (factories or fields): In its Sustainability and Responsibility Report 2018, the Company indicates: 'Around 35,000 direct suppliers from more than 100 countries provide us with the raw materials, expertise and other resources that help us make great brands. Many of those direct suppliers themselves have an extensive supply chain, connecting us with thousands more farmers and businesses'. In its Sustainable Agriculture Strategy 2016, the Company indicated: 'Around 28,000 direct suppliers from more than 100 countries provide us with the materials, expertise and other resources which help us make great brands.', and added: 'We will expand our work on supply chain mapping in order to better understand where our raw materials come from, and how best to create shared value in our markets.' However, it is not clear whether the mapping process of indirect suppliers was completed. [Strategy for Sustainable Agriculture, Jul 2016: <a href="http://diageo.com">diageo.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Discloses significant parts of SP and why</li> </ul>
D.1.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Child Labour rules in codes or contracts: The Company states in its Partnering with suppliers code that 'We expect our suppliers to adhere to applicable laws and regulations concerning minimum working age, and strictly to prohibit the employment of young persons below the age of 15 (subject to exceptions permitted by national law or the ILO)'. In its Sustainability and Responsibility Report, the Company indicates: 'Our due diligence approach focuses on child labour and is one of the areas that our human rights impact assessments robustly investigate'. Furthermore, the company "expect our suppliers to promote the principles in this Standard Code for Suppliers throughout their own supply chain, and to have appropriate processes in place to verify and demonstrate applicable compliance standards.' However, it is not clear if the company has remediation requirements if child labour is found. [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: How working with suppliers on child labour: In its S&amp;R Performance Addendum, the Company reports: 'We have identified child labour as a potential risk within our agricultural supply chains, and within Africa in particular. As a result, we evaluated farming activities and communities for this risk in five countries. None identified child labour in our supply chain, but we are aware that there may be a risk of children working on family farms. We therefore developed a child protection toolkit which we are implementing in all markets in Africa where we source from smallholder farmers. This will help our own people who visit farms build their awareness of the risks to children's safety, including what activities are unacceptable and pose a risk to their development, such as carrying heavy loads, using mechanical equipment, working with pesticides, and missing school to work in the fields.' In addition, in its Modern Slavery Act Statement, the Company indicates: 'we have developed a child protection programme for our work with smallholder farmers, where we have trained key functions and business partners on our local sourcing programme in seven countries in Africa to prevent child labour.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a> &amp; Modern Slavery Act Statement 2018, Dec 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met: see above</li> <li>• Not met: Analysis of trends in progress made</li> </ul>
D.1.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Debt and fees rules in codes or contracts: The Company states in its Partnering with suppliers code that 'We expect our suppliers to strictly prohibit the use of forced labour, whether in the form of slave labour, indentured labour, bonded labour, coercion of any employee through any means, or any other forms'. However, it does not include debt bondage requirements such as refraining from imposing any financial burdens on workers by withholding wages or expenses (recruitment fees, etc). [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: How working with suppliers on debt &amp; fees: In the 'Supplier Toolkit' (written by Partner Africa with the support of different Companies including Diageo), the Company provides its suppliers with practical assistance on how to improve in several areas, including Forced Labour and Freedom of Movements and sets out some expectations: ' You need to ensure that all recruitment agencies and contract labour providers you use understand your requirements on this issue and you need to check their processes and procedures to ensure their recruitment and treatment of workers is in alignment with this requirement. You need to investigate and ensure that labour providers/ recruitment agencies do not hold original identity papers or deposits from workers and that workers are not indebted to them, holding them in employment.' [Supplier Business toolkit, Mar 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Analysis of trends in progress made</li> </ul>
D.1.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Free movement rules in codes or contracts: The Company states in its Partnering with suppliers code that 'We expect our suppliers to strictly prohibit the use of forced labour, whether in the form of slave labour, indentured labour, bonded labour, coercion of any employee through any means, or any other forms'. However it does not includes guidelines on worker's freedom of movement or how it works with suppliers to eliminate detention of worker's documents. [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: How working with suppliers on free movement: In the 'Supplier Toolkit' (written by Partner Africa with the support of different Companies including Diageo), the Company provides its suppliers with practical assistance on how to improve in several areas, including Forced Labour and Freedom of Movements and sets out some expectations: ' You need to ensure that all recruitment agencies and contract labour providers you use understand your requirements on this issue and you need to check their processes and procedures to ensure their recruitment and treatment of workers is in alignment with this requirement. You need to investigate and ensure that labour providers/ recruitment agencies do not hold original identity papers or deposits from workers and that workers are not indebted to them, holding them in employment.' [Supplier Business toolkit, Mar 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.6.b	Freedom of association and collective bargaining (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: FoA &amp; CB rules in codes or contracts: In its Code for Suppliers, the Company indicates: 'We expect our suppliers to allow employees the freedom of association and collective bargaining in accordance with applicable laws and regulations'. However, there is no further guidelines, including prohibition of intimidation, harassment, retaliation and violence against union members and union representatives. [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a> &amp; Human Rights Policy, Jul 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: How working with suppliers on FoA and CB: In the 'Supplier Toolkit' (written by Partner Africa with the support of different Companies including Diageo), the Company provides its suppliers with practical assistance on how to improve in several areas, including Freedom of Association and sets out some expectations: 'Respect employee's right to join, form or not to join a labour union and to bargain collectively without fear of reprisal, intimidation, or harassment; Where employees are represented by a legally recognised union, establish a constructive dialogue with their freely chosen representatives and bargain in good faith with such representatives; Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace; In countries and/or situations where the legal system prohibits or severely restricts the right of freedom of association, suppliers should support, within the framework of applicable laws and regulations, the establishment of alternative means to facilitate the effective representation of workers interests and communication between workers and management' [Supplier Business toolkit, Mar 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Sets out clear Health and Safety requirements: The Company sets out clear Health and Safety requirements, such as: 'We expect our suppliers to meet applicable local and national health and safety laws and regulations, including those related to the construction and maintenance of facilities for employees and contract workers; We expect our suppliers to have a clear, publicly-available health and safety policy statement in place, be committed to developing and applying appropriate health and safety management systems (including clear assignment of management responsibility for health and safety), and to monitor and report corrective actions against incidents (accidents, near misses, etc.); We expect our suppliers to maintain a safe and secure working environment. This includes providing as a minimum access to adequate potable drinking water (complying with World Health Organisation and national standards and representative of headcount), safely managed sanitation services and hygiene facilities with running water and soap, ventilation, adequate lighting and temperature, personal protective equipment, and health and safety training to mitigate known hazards or potential risks;' among others. [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a> &amp; Health, safety and Wellbeing Global Policy: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Not met: Injury Rate disclosures: In its Sustainability and Responsibility Report 2018, the Company discloses figures about types of Injuries. This figures include information from third parties and independent contractors while on Diageo's premises, they do not include suppliers. [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Not met: Lost days or near miss disclosures: In its Annual Report 2018, the Company discloses figures about lost days and fatalities. This figures include information from third parties and independent contractors while on Diageo's premises, they do not include suppliers. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a> &amp; Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Not met: Fatalities disclosure: In its Annual Report 2018, the Company discloses figures about lost days and fatalities. This figures include information from third parties and independent contractors while on Diageo's premises, they do not include suppliers. [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2017, 2017: <a href="http://diageo.com">diageo.com</a> &amp; Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: How working with suppliers on H&amp;S: In the 'Supplier Toolkit' (written by Partner Africa with the support of different Companies including Diageo), the Company provides its suppliers with practical assistance on how to improve in several areas, including Health and Safety and sets out some expectations: ' H&amp;S policy, management systems, management responsibility are in place; Safe and secure working environment (including adequate safe drinking water, sanitary and hygiene facilities, ventilation, adequate lighting and temperature, personal protective equipment and health and safety training); Emergency preparedness procedures; Proper handling and disposal of hazardous chemicals, according to law; Risk assessments and actions to mitigate risks; Mechanism in place for employees and contract workers to raise H&amp;S concerns and receive a response; Worker accommodation clean, safe, structurally sound, well maintained and meets basic needs of workers. Must be separate to production areas' [Supplier Business toolkit, Mar 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Not met: Provides analysis of trends demonstrating progress: The Company discloses information about lost time accident frequency rate, number of days lost to accidents and fatalities for the last 5 years, however, these figures do not include suppliers. [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>
D.1.8.b	Land rights: Land acquisition (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Rules on land &amp; owners in codes or contracts: The Company states in its Partnering with suppliers code that 'We expect our suppliers to respect the land rights of communities, including indigenous peoples'. In addition, in its Sustainability Agriculture Guidelines, the Company states: 'The following Standards set out our requirements for suppliers in our agricultural supply chains: [...] Respect the land rights of communities, including indigenous peoples, aligned to the principle of free, prior and informed consent (FPIC).' However, it is not clear whether the Sustainable Agriculture Guidelines is part of its contractual arrangements, because the FPIC requirement is not included in the Supplier Code. [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a> &amp; Sustainable Agriculture Guidelines, Jun 2018: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: How working with suppliers on land issues: In the 'Supplier Toolkit' (written by Partner Africa with the support of different Companies including Diageo), the Company provides its suppliers with practical assistance on how to improve in several areas, including Land's Rights and sets out some expectations: 'Follow all applicable national laws relating to the rights of land and natural resources; Ensure land acquisitions and changes of use are made respecting the rights of individuals and communities impacted; Conduct due diligence around land rights and title during the development of new business opportunities and seek free, informed, prior consent; Have a grievance mechanism in place to resolve disputes over land titles' [Supplier Business toolkit, Mar 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provides analysis of trends demonstrating progress</li> </ul>
D.1.9.b	Water and sanitation (in the supply chain)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Rules on water stewardship in codes or contracts: The Partnering with suppliers code states that 'We expect our suppliers to maintain a safe and secure working environment, providing as a minimum access to adequate safe drinking water, sanitary and hygiene facilities. [...] We expect our suppliers to continually strive to reduce their environmental impacts and manage their natural resources efficiently. This includes implementing measures to prevent pollution, minimise the use of energy and production of waste and manage water responsibly.. [...] We expect our suppliers to understand their water usage in context of local availability and quality and manage it appropriately to support sustainable water stewardship'. [Partnering with suppliers - our code for suppliers, Sep 2017: <a href="http://diageo.com">diageo.com</a>]</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: How working with suppliers on water stewardship issues: In its 'Water Blueprint' document, the Company sets out its strategy to meet its 2020 targets, which include: 'Work with suppliers and third-party manufacturers to improve their water efficiency and quality impact by equipping them with tools to protect water resources in the most water-stressed locations.' This work includes: 'Working with third party operators on how to measure, manage and improve water stewardship, with a focus on operators located in water stressed areas; Understanding, planning, and building greater resilience for the impact of climate change on water resources for key production sites and across our raw material supply chains; Working with key suppliers with water risk to report their water use, risks, and management and to drive improved performance and reduce impacts.', among other activities. [Water Blueprint: Our Strategic Approach to Water Stewardship, Jun 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met</li> <li>• Met: Provides analysis of trends demonstrating progress: In its Annual Report 2018, the Company discloses information about the progress of its initiatives to increase community access to drinking water: 'In North Cameroon, our partnership with the Sahel Espoir co-operative in the two villages of Mindjil and Garey has led to a new irrigation system and new boreholes to provide access to water for 10,000 people. In the village of Fotouni in West Cameroon, we are working with the NGO, ANDP Environment, to improve access to safe water and sanitation, particularly for women and children, installing two new water pumps to serve 6,500 people.[...] Water of Life has reached more than 10 million people in India and in 21 countries in Africa since 2006, including 234,000 this year. It is focused on access to water, sanitation and hygiene in line with SDG 6. [...] we've brought clean water and sanitation to more than 300,000 people in Africa, including this year's project which is bringing safe water to 3,500 people in Kebbi, Nigeria'. It also reports on its performance against 2020 targets: 'Overall water use efficiency has improved by 0.8% this year.[...] Wastewater BOD increased by 31.5%, principally due to increased distillation volume.[...] Cumulatively, 47.9% of total water used in final product in water-stressed areas was replenished. [...] We continue to engage our tier one suppliers through our CDP Supply Chain Water Programme. This year, we contacted 103 of our largest suppliers to disclose their water management practices through this programme. Ninety per cent responded, with 61% reporting active targets.' [Annual Report 2018 - Interactive, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul>
D.1.10.b	Women's rights (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Women's rights in codes or contracts: The Sustainability Responsibility performance addendum 2016 discloses that the Company signed the Women's Empowerment Principles, a joint initiative of the UN and the UN Global Compact. The Annual Report 2016 discloses that the Plan W 'aims to empower women, both our employees and those in our wider value chain, and enable them to play a greater role in the economy'. However there are not more details. [Sustainability &amp; Responsibility Performance Addendum, 2016: <a href="http://diageo.com">diageo.com</a>]</li> <li>• Met: How working with suppliers on women's rights: In its Annual Report, the Company indicates: 'We will only succeed in promoting inclusive growth if we enable women throughout our value chain to play an equal role in the economy and society – from the smallholder farmers who grow our raw materials, to the employees in our workplaces and distribution networks, to the people who serve our brands to consumers all over the world. To date, our programmes such as Plan W have empowered more than 390,000 women with access to training and skills. [...] we are now applying a gender-inclusive approach to all our community initiatives; this year we reached more than 164,000 women through our programmes. [...] In 2017, we worked with CARE on a gender analysis of our barley supply chain in Ethiopia, where we have developed local farming programmes. It showed that, despite expanding the number of supplier farmers from 1,047 to over 6,000 in four years, the proportion of female farmers increased by just 1% – largely a result of barriers to women's participation in the farmers' groups we work with and the land rights afforded to women. We're addressing this within our local sourcing programmes, enabling equal access to skills and resources for women farmers and supporting them within farmer unions and co-operatives.' [Annual Report 2018, 2018: <a href="http://diageo.com">diageo.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not met: Provides analysis of trends demonstrating progress: In its Annual Report 2018, the Company indicates: 'In 2017, we worked with CARE on a gender analysis of our barley supply chain in Ethiopia, where we have developed local farming programmes. It showed that, despite expanding the number of supplier farmers from 1,047 to over 6,000 in four years, the proportion of female farmers increased by just 1% – largely a result of barriers to women's participation in the farmers' groups we work with and the land rights afforded to women. We're addressing this within our local sourcing programmes, enabling equal access to skills and resources for women farmers and supporting them within farmer unions and co-operatives.' However, there is no previous or follow up information to show a trend. [Annual Report 2018 - Interactive, 2018: <a href="https://www.diageo.com">diageo.com</a>]</li> </ul>

## E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 41.49 out of 80 points scored in themes A-D & F has been applied to produce a score of 10.37 out of 20 points for theme E.

## F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	3.24 out of 4	Out of a total of 42 indicators assessed under sections A-D of the benchmark, Diageo made data public that met one or more elements of the methodology in 34 cases, leading to a disclosure score of 3.24 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	<p>The individual elements of the assessment are met or not as follows: Score 2</p> <ul style="list-style-type: none"> <li>• Met: Company reports on GRI: In its Sustainability and Responsibility Performance Addendum, the Company indicates: 'Our disclosures are structured within two indices: the GRI index, which follows the GRI Standards, and the UNGC index, which follows the UNGC advanced reporting criteria.' [Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2017, 2017: <a href="https://www.diageo.com">diageo.com</a> &amp; Sustainability &amp; Responsibility Performance Addendum to the Annual Report 2018, 2018: <a href="https://www.diageo.com">diageo.com</a>]</li> </ul>
F.3	Key, High Quality Disclosures	0.5 out of 4	<p>Diageo met 1 of the 8 thresholds listed below and therefore gets 0.5 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples</p> <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.2 : Board discussions</li> <li>• Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>• Met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>• Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly</li> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus</li> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</li> </ul>

### Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2019 Key Findings report and technical annex for more details of the research process.

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As CHR B Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.