

Company Name Diageo
Industry Agricultural Products (Supply Chain only)
Overall Score 37.3 out of 100

Theme Score	Out of	For Theme
4.1	10	A. Governance and Policies
12.2	25	B. Embedding Respect and Human Rights Due Diligence
7.5	20	C. Remedies and Grievance Mechanisms
6.0	25	D. Performance: Company Human Rights Practices
7.5	20	E. Performance: Responses to Serious Allegations

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 2022 Methodology document for the sector concerned. 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	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> 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, 2022: media.diageocms.com] Met: Universal Declaration of Human rights (UDHR): See above [Human Rights Policy, 2022: media.diageocms.com] Score 2 <ul style="list-style-type: none"> Met: Commitment to the UNGPs: In addition, the Company states: 'We act in accordance with the United Nations (UN) Guiding Principles on Business and Human Rights'. [Human Rights Policy, 2022: media.diageocms.com] & [Modern Slavery Act Statement 2019, 2019: diageo.com]
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Company has a commitment to the ILO Core: The Company's Human Rights Policy includes ALL four ILO elements and UNGC principles 3-6 and H&S for both own employees and suppliers. [Human Rights Policy, 2022: media.diageocms.com] Met: Company has an explicit commitment to All four ILO Core: As indicated above, the Company's 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

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			<p>the representation of employees' interests'. [Human Rights Policy, 2022: media.diageocms.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Company expect suppliers to commit to ILO Core: The Partnering with suppliers code indicates: 'We are committed to acting in accordance with the UN Guiding Principles on Business and Human Rights and the international standards set out by the eight core International Labour Organisation6 (ILO) conventions and recommendations. We expect our suppliers to act in accordance with these principles and commitments'. [Partnering with suppliers, 2022: secure.diageo.com] • Met: Company explicitly list All four ILO for suppliers: The Partnering with suppliers code states that the Company expects its suppliers to act in accordance with 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 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. [Partnering with suppliers, 2022: secure.diageo.com] & [Sustainability & Responsibility Performance Addendum to the Annual Report 2019, 2019: diageo.com]
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	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"> • Met: Commitment to respect H&S of workers: The Human Rights policy also states that it is 'committed to the highest standards of safety and security to protect ourselves, our suppliers, our business partners, and our communities. We will follow all safety policies and procedures, national and local laws and regulations.' [Human Rights Policy, 2022: media.diageocms.com] • Met: Respect ILO labour standards on working hours or Commits to 48 hours regular work week: The Company indicates in its Human Rights Policy: 'We comply with all wage and hour laws, collective agreements, and the provisions of the relevant ILO standards on working time. [Human Rights Policy, 2022: media.diageocms.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expect suppliers to commit to H&S of their workers: The Company indicates in its Supplier Code: 'We expect our suppliers to; have a clear, publicly-available health and safety policy statement in place; be committed to developing and applying such appropriate health and safety management systems and responses as may be required to protect against emerging health and sanitation concerns (including clear assignment of management responsibility for health and safety); and to monitor and report corrective actions against incidents (accidents, near misses, etc.)'. [Partnering with suppliers, 2022: secure.diageo.com] • Met: Expect suppliers to commit to ILO labour standard or to 48 hours regular work week: The Company indicates in its Supplier Code: 'We expect our suppliers to ensure employees do not work excessive hours, in accordance with national laws, collective agreements and the provisions of the relevant ILO standards on working time. In the absence of applicable laws or collective agreements, normal working hours shall not on a regular basis exceed a maximum of 48 hours per working week, or 60 hours per working week including overtime, and employees shall be allowed at least one day of rest in every seven-day period'. [Partnering with suppliers, 2022: secure.diageo.com]
A.1.3.a.AG	Commitment to respect human rights particularly relevant to the industry – land, natural resources and indigenous peoples' rights (AG)	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"> • Not Met: Respect land ownership and natural resources as set out in VGGT • Not Met: Respect land ownership and natural resources as set out in The IFC Performance Standards • Not Met: Respecting indigenous peoples' rights or ILO Convention No.169 or UN Declaration • Met: Expecting suppliers to make these commitments: According its Partnering with Suppliers Standards: 'We expect our suppliers to make commitments for respecting the land rights of communities including indigenous peoples, land ownership and natural resources with specific consideration to water. Suppliers are required to have a process for identifying legitimate tenure rights holders when acquiring (or restricting) the use of land, particular attention should be given to vulnerable and marginalised tenure rights holders.' [Partnering with suppliers, 2022: secure.diageo.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> Met: Respecting the right to water: The Company states in its Environment Policy: 'Our Grain to Glass strategy is supported by three pillars of commitment: 1. Preserve Water for Life [...] We support the United Nations Global Compact CEO Water Mandate, Water Resilience Coalition and support the Alliance for Water Stewardship, affirming our commitment to sustainable water management practices in our operations and supply chain. We consider water stewardship as being integral to managing climate risk. The Diageo Preserve Water for Life Strategy defines our strategic approach to water stewardship for the environmentally sustainable, socially equitable, and economically beneficial use and treatment of water.' In addition, the Company states in its Water stewardship strategy: 'In areas where we source agricultural raw materials and in areas where our sites are located, we will continue to work to reduce water-stress and water poverty, including contributing towards local infrastructure improvements'. [Environment Policy, 2021: diageo.com] & [Our water stewardship strategy, 2022: diageo.com] Not Met: Company's policy commits to obtain FPIC Not Met: Expecting suppliers to make these commitments <p>: 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'. However, this document is no longer considered a suitable source for policy statements under CHRB's revised approach. [Supplier Business toolkit, 15/3/2018: diageo.com]</p>
A.1.3.b.AG	Commitment to respect human rights particularly relevant to the industry – vulnerable groups (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"> 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, 2022: media.diageocms.com] Met: Expects suppliers to respect at least one of these rights: The Company indicates in its Partnering with Suppliers Standard: 'We expect our suppliers to protect the rights of women and the different dimensions of inequality often faced. Suppliers are expected to eliminate any discrimination against women through providing equal pay for equal work and that there are equal opportunities offered. This also includes the elimination of any health & safety issues prevalent to women workers and producers.' In addition, it indicates in its Human Rights Policy: '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, 2022: media.diageocms.com] & [Partnering with suppliers, 2022: secure.diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: CEDAW/Women's Empowerment Principles: In its updated Human Rights Policy, the Company states: 'Our Human Rights Policy is informed by [...], 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, 2022: media.diageocms.com] Not Met: Expecting suppliers to respect these rights
A.1.4	Commitment to remedy	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"> Met: The Company commits to remedy: The Company states in its Human Rights Policy: 'We are committed to working directly with our suppliers and customers to remedy human rights issues where we become aware of them. 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, 2022: media.diageocms.com] Met: Company expect suppliers to make this commitment: The Company indicates in its Partnering with Suppliers Standards: 'We expect our suppliers to provide a right to remedy for their employees and for their local communities through an accessible, trusted and fair grievance process.' [Partnering with suppliers, 2022: secure.diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Collaborating with other remedy initiatives: The Company also states in its Human Rights Policy: 'Where appropriate we will also engage with local judicial or non-judicial grievance mechanisms to provide remedy. We will not impede access to state-based judicial or non-judicial mechanisms; or any other mechanisms

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			available to people who make allegations of potential human rights impacts'. [Human Rights Policy, 2022: media.diageocms.com] <ul style="list-style-type: none"> • Met: Work with suppliers to remedy impact: The Company states in its Human Rights Policy: 'We are committed to working directly with our suppliers and customers to remedy human rights issues where we become aware of them. 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, 2022: media.diageocms.com]
A.1.5	Commitment to respect the rights of human rights defenders	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • 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, 2022: media.diageocms.com] • Met: Company expect suppliers to make this commitment: 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, 2022: media.diageocms.com] Score 2 <ul style="list-style-type: none"> • Not Met: Work with HRD to create safe and enabling environment

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board level responsibility for HRs: The Company indicates that 'Our Chief Executive, Ivan Menezes, is ultimately accountable for overall economic and environmental, social, and corporate governance (ESG) performance, while responsibility for the component parts of our sustainability and responsibility strategy is shared between members of Diageo's Executive Committee. To further improve our oversight of ESG, our Board now receives updates on our ESG strategy and performance at least twice a year'. However, no further information showing a specific Board Committee or member, besides the CEO, with a specific responsibility for human rights was found. [Sustainability & Responsibility Performance Addendum to the Annual Report 2019, 2019: diageo.com] • Not Met: Describe HR expertise of Board member Score 2 <ul style="list-style-type: none"> • Not Met: Speeches/letters by Board members or CEO
A.2.2	Board responsibility	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board/Committee review HRs strategy: The Company states on its website: '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, performance, policies and risks twice a year. The Board of Directors signs off any changes to our sustainability strategy at our annual Rights Strategy Conference.' In addition, in its Human Rights Policy, it indicates: 'Our Code of Business conduct and Human Rights policy are agreed by our Chief Executive, who reports directly to the Board. Responsibility for delivery is shared between members of Diageo's Executive Committee, all of whom report to the Chief Executive. Our Executive, senior business leaders and functional specialists lead the agenda via our Human Rights Steering Group, and assess risks, emerging issues, compliance and remediation within our routine enterprise risk management processes. Where relevant, human rights risks are reviewed by the Board.' However, no further information was found describing how the Board or a Board Committee review its human rights strategy, as the evidence found is focused on the CEO and the Executive Committee. On the other hand, in its Annual Report 2021: 'The Audit Committee receives and reviews regular reports on allegations, including trends information and investigation closure rates. Since all of Diageo's non-executive directors attend the Audit Committee, all non-executive directors receive the same reports directly from the Business Integrity team. [...] The Business Integrity team provides regular reports to the Audit Committee of allegations of breaches of the Code of Business Conduct and other group policies, including those received through our confidential and independent whistle-blowing service SpeakUp. These reports also include analyses

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			<p>of emerging trends, investigation status reports and closure rates, and summaries of actions taken. These reports enable directors to gain an understanding of common issues and action planning, as well as providing insights into how embedded Diageo's purpose, values and culture are across its markets and functions.' However, no description of the processes it has in place to discuss and regularly review its human rights strategy or policy or management processes at board level or a board committee was found. Current evidence refers to being briefed in relation to performance in relation to allegations. [Management and Governance, N/A: diageo.com] & [Annual Report 2021, 2021: diageo.com]</p> <ul style="list-style-type: none"> • Not Met: Examples/trends re HR discussion in the last reporting period Score 2 • Not Met: Meets both requirements under score 1 • Not Met: How affected stakeholders/HR experts informed discussions
A.2.3	Incentives and performance management	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"> • Not Met: Incentives for at least one board member: The Company indicates in its Annual Report 2021: 'For the first time, 20% of the shares granted to our senior management under the Long-Term Incentive Plan (LTIP) will be linked to ESG measures across all three of the plan's focus areas [...] The ESG measure comprises four goals reflecting the 'Society 2030: Spirit of Progress' strategy, to make a positive impact on the environment and society, [...]. Each goal is weighted equally: [...] and inclusion and diversity metric (one measure on % female leaders globally, and another measure on % ethnically diverse leaders globally).' The Long-Term Incentive Plan applies also to the CEO, who is part of the Board of Directors. However, no specific link found to human rights beyond diversity, which only seems to apply to leader roles. [Annual Report 2021, 2021: diageo.com] • Not Met: At least one key HR risk, beyond employee H&S: See above [Annual Report 2021, 2021: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria made public: The Company discloses information about the criteria linking the senior manager(s)' remuneration to the company's human rights performance: 'The performance measures and targets for awards made in September 2020 are outlined below. [...] the environmental, social and governance (ESG) measure (20% of total performance share award), which was introduced for the first time for this award in 2020, reinforces the stretching and strategically important goals under the 'Society 2030: Spirit of Progress' ambition, Diageo's 10-year action plan to help create an inclusive and sustainable world'. However, as indicated above, it is not clear if it's linked to human rights (salient) issues. [Annual Report 2021, 2021: diageo.com] • Not Met: Review of other board performance criteria
A.2.4	Business model strategy and risks	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"> • Not Met: Board process to review business model and strategy: In its Human Rights Policy, it indicates: 'Our Code of Business conduct and Human Rights policy are agreed by our Chief Executive, who reports directly to the Board. Responsibility for delivery is shared between members of Diageo's Executive Committee, all of whom report to the Chief Executive. Our Executive, senior business leaders and functional specialists lead the agenda via our Human Rights Steering Group, and assess risks, emerging issues, compliance and remediation within our routine enterprise risk management processes. Where relevant, human rights risks are reviewed by the Board.' In addition, in its Annual Report 2021: 'The Audit Committee receives and reviews regular reports on allegations, including trends information and investigation closure rates. Since all of Diageo's non-executive directors attend the Audit Committee, all non-executive directors receive the same reports directly from the Business Integrity team. [...] The Business Integrity team provides regular reports to the Audit Committee of allegations of breaches of the Code of Business Conduct and other group policies, including those received through our confidential and independent whistleblowing service SpeakUp. These reports also include analyses of emerging trends, investigation status reports and closure rates, and summaries of actions taken. These reports enable directors to gain an understanding of common issues and action planning, as well as providing insights into how embedded Diageo's purpose, values and culture are across its markets and functions.' However, no description of the process(es) it has in place to discuss and review its business model and strategy for inherent risks to human rights at board level or a board committee was found. Current evidence seems to refer to briefings in relation to code breaches. This subindicator looks for evidence on how the board or a board committee works with this information and whether it can affect business model

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			<p>or strategy. [Human Rights Policy, 2022: media.diageocms.com] & [Annual Report 2021, 2021: diageo.com]</p> <ul style="list-style-type: none"> • Not Met: Describe frequency and triggers for reviewing <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Example of actions decided

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	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"> • Met: Score of 1 on A.1.2.a: See indicator A.1.2.a • Met: Senior responsibility for HR implementation and decision making: The Company indicates that '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 [...] Regional presidents and local managing directors are responsible for implementing the Sustainability & Responsibility Strategy locally, and for driving performance. Senior executives are accountable for each aspect of the Sustainability & Responsibility Strategy, which is led by the Global Director of Society'. The Sustainability & Responsibility Strategy includes human rights. [Sustainability & Responsibility Performance Addendum to the Annual Report 2019, 2019: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: How it assigns 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. [...] ' 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, 2022: media.diageocms.com] & [Management and Governance, N/A: diageo.com] • Not Met: Day-to-day resources and expertise allocation in own ops • Not Met: Resources and expertise allocation in the supply chain: The Company indicates on its website section 'Responsible Sourcing': 'We help suppliers meet our standards by offering support and training to build their skills and capabilities. [...] We have also developed a comprehensive but flexible process for identifying, assessing and managing social and ethical risks in our supply chain. [...] 100% of our suppliers go through our responsible sourcing risk screening, including both direct and indirect suppliers. Once suppliers have been screened for risk then a relevant activity is initiated to ensure compliance against our minimum standards. Each of these activities involves gathering data showing how suppliers are monitoring working conditions against four key pillars of sustainability – labour conditions, health and safety, environmental impact and business ethics.' However, no further information with respect the resources (team, department, unit) allocated to human rights in the supply chain and their expertise was found. [Responsible sourcing - website, N/A: diageo.com]
B.1.2	Incentives and performance management	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"> • Not Met: Senior manager incentives for human rights: The Company indicates in its Annual Report 2021: 'For the first time, 20% of the shares granted to our senior management under the Long-Term Incentive Plan (LTIP) will be linked to ESG measures across all three of the plan's focus areas [...] The ESG measure comprises four goals reflecting the 'Society 2030: Spirit of Progress' strategy, to make a positive impact on the environment and society, [...]. Each goal is weighted equally: reduction in greenhouse gas emissions; improvement in water efficiency; number of people who confirmed changed attitudes to the dangers of underage drinking, after participating in a Diageo supported education programme; and inclusion and diversity metric (one measure on % female leaders globally, and another measure on % ethnically diverse leaders globally).' However, no specific link found to human rights beyond diversity, which only seems to apply to leader roles. [Annual Report 2021, 2021: diageo.com] • Not Met: At least one key HR risk, beyond employee H&S: See above. [Annual Report 2021, 2021: diageo.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria made public: The Company discloses information about the criteria linking the senior manager(s)' remuneration to the company's human rights performance: 'The performance measures and targets for awards made in September 2020 are outlined below. [...] the environmental, social and governance (ESG) measure (20% of total performance share award), which was introduced for the first time for this award in 2020, reinforces the stretching and strategically important goals under the 'Society 2030: Spirit of Progress' ambition, Diageo's 10-year action plan to help create an inclusive and sustainable world.' However, as indicated above, it is not clear if it's linked to human rights (salient) issues. [Annual Report 2021, 2021: diageo.com] • Not Met: Review of other senior management performance
B.1.3	Integration with enterprise risk management	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"> • Met: HR risks is integrated as part of enterprise risk system: In its Annual Report 2019, the Company lists its principal risks (included in general management systems), 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 put in place by the Company to face these risks. In addition, it states in its Human Rights Policy: 'Our Executive, senior business leaders and functional specialists lead the agenda via our Human Rights Steering Group, and assess risks, emerging issues, compliance and remediation within our routine enterprise risk management processes. Where relevant, human rights risks are reviewed by the Board.' [Annual Report 2019, 2019: diageo.com] & [Human Rights Policy, 2022: media.diageocms.com] • Not Met: Provides an example: In addition, in its website: '[...] human rights risks are managed locally at our market Risk Management Committees, which feed into regular reviews by the Executive committee at our global Audit and Risk Committee.' However, no further information was found, including examples of how human rights are integrated in the ERM system. [Human Rights - website, 2022: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external 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"> • Met: Score of 1 on A.1.2.a: See indicator A.1.2.a • Met: Communicates its policy to all workers in own operations: The Company indicates in its MSA 2021: 'Our Code training is our way of ensuring that all employees fully understand what is expected of them and is delivered predominantly by e-Learning, with an integrated Annual Certification of Compliance (ACC) requirement for those at manager level and above. The e-Learning is mandatory and assigned to every employee in every market annually and covers all areas of our Code, with specific emphasis on key topics reinforced by scenario-based videos. Employees can complete it in their chosen language on their desktop, laptop, tablet or smartphone, with a face-to-face classroom training option delivered at sites where employees do not use computers. All new joiners are required to complete the training within 30 days'. [MSA Statement 2021, 2021: diageo.com] & [Code of Business Conduct Updated 2019, 8/2019: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Communication of policy commitments to stakeholder: The Company has provided comments to CHRB regarding this indicator. However, this information has not been found in publicly available sources. No evidence describing how it communicates its policy commitments to affected stakeholders, including local communities was found. • Not Met: How policy commitments are made accessible to audience: 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, 2022: media.diageocms.com]
B.1.4.b	Communication /dissemination of policy commitment(s)	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"> • Met: Meets ILO requirement for suppliers on A.1.2.a: See indicator A.1.2.a • Met: Requires suppliers to communicate policy requirements: The Company indicates that 'We communicate our Code and Human Rights policy throughout our business and, alongside our Partnering with Suppliers standard, to all our suppliers

Indicator Code	Indicator name	Score (out of 2)	Explanation
	to business relationships		<p>around the world'. It also states that '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'. In addition, the Company states in its MSA 2021: 'We have also included an 'end-to-end responsibility' statement in our Partnering with Suppliers Standard, setting out the expectation of our suppliers to promote the principles of the standard throughout their own supply chain, and to have the appropriate processes in place to verify and demonstrate applicable compliance standards'. [Human Rights Policy, 2022: media.diageocms.com] & [MSA Statement 2021, 2021: diageo.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: How HR commitments made binding/contractual: As stated above, '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, 2022: media.diageocms.com] • Not Met: Company requires suppliers to cascade down to their suppliers
B.1.5	Training on Human Rights	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"> • Met: Scores at least 1 on A.1.2.a: See indicator A.1.2.a • Met: How workers are trained on HR policy commitments: The Company indicates in its MSA 2021: 'Our Code training is our way of ensuring that all employees fully understand what is expected of them and is delivered predominantly by e-Learning, with an integrated Annual Certification of Compliance (ACC) requirement for those at manager level and above. The e-Learning is mandatory and assigned to every employee in every market annually and covers all areas of our Code, with specific emphasis on key topics reinforced by scenario-based videos. Employees can complete it in their chosen language on their desktop, laptop, tablet or smartphone, with a face-to-face classroom training option delivered at sites where employees do not use computers. All new joiners are required to complete the training within 30 days'. [MSA Statement 2021, 2021: diageo.com] • Met: Trains relevant managers including procurement: It also indicates that 'Key employees in Procurement and Sustainability who have direct responsibility for our Human Rights, Responsible Sourcing or Supply Governance programmes are required to be trained on human trafficking and modern slavery, with external input to build awareness of possible risks in key geographies and supply networks. In 2019 this training was refreshed, working with an external partner to create a series of interactive webinars and workshop sessions. This training was designed both to educate employees on the principles of human rights – with a specific emphasis on modern slavery – and also to empower staff to recognise the potential signs of forced labour occurring and the mechanisms they could utilise to challenge these practices and intervene. The training was rolled out to both Procurement staff and a selection of key stakeholder and influencing functions within the company, with recordings and training materials also made available upon request'. [MSA Statement 2021, 2021: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a: See indicator A.1.2.a • Met: Meets both requirements under score 1 • Not Met: Trains suppliers to meet company's HR commitment: The Company indicates in its Human Rights Policy: 'All of our teams receive routine training on our Code, and on human rights, [...]. Our suppliers are also invited to training and engagement events such as our annual Pathway of Pride programme in Africa'. However, no details found on the actual training conducted (i.e what entails Pathway of Pride programme). In addition, it indicates on its website: 'Building capability: We help suppliers meet our standards by offering support and training to build their skills and capabilities'. However, no details were found on the actual actions of training conducted to train suppliers on the Company's human rights requirements. This subindicator looks for evidence of training conducted with suppliers to help them meet policy commitments. [Human Rights Policy, 2022: media.diageocms.com] & [Responsible sourcing - website, N/A: diageo.com] • Not Met: Disclose % trained
B.1.6	Monitoring and corrective actions	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"> • Met: Scores at least 1 on A.1.2.a: See indicator A.1.2.a • Not Met: Monitoring implementation of HR policy commitments across global ops and supply chain: The Company indicates that 'We measure the effectiveness of our human rights governance through our internal assurance framework and global audit and risk team, in addition to monitoring allegation and breach trends

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>and root causes'. However, it is not clear whether these procedures evaluate its policy commitments and not only its governance effectiveness. With respect its supply chain, the Company indicates in its MSA 2021: 'Our Responsible Sourcing programme follows a risk-based approach to assessing adherence to our supplier code. Suppliers are risk-assessed against the following three criteria: location of supplier site, category of product or service and spend. Suppliers assessed as a potential risk are required to register with Sedex and complete a Self-Assessment Questionnaire (SAQ). Sedex is an online platform used to manage and improve working conditions in global supply chains and help businesses source responsibly. Suppliers who are assessed as high risk are required to register with Sedex, complete the SAQ and undertake an independent third-party Sedex Members Ethical Trade Audit (SMETA) or an equivalent four-pillar ethical audit.' However, no further information was found describing the monitoring process for own operations. [MSA Statement 2021, 2021: diageo.com] & [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com]</p> <ul style="list-style-type: none"> • Met: Proportion of supply chain monitored: The Company reports on its website: '100% of our suppliers go through our responsible sourcing risk screening, including both direct and indirect suppliers.' [Responsible sourcing - website, N/A: diageo.com] • Not Met: Describe how workers are involved in monitoring <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a: See indicator A.1.2.a • Met: Describes corrective action process: The Company indicates that '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 MSA 2021, the Company indicates that in case of non-compliances: 'We have followed up with the relevant suppliers with corrective action plans and are working together to resolve them. Where required, we are arranging follow-up audits to verify the issues have been identified and resolved'. [Human Rights Policy, 2022: media.diageocms.com] & [MSA Statement 2021, 2021: diageo.com] • Met: Disclose findings and number of corrective action: In its Modern Slavery Act Statement, the Company indicates: 'A total of 2,540 issues of non-compliance have been raised through these audits, with 45% relating to health, safety, and hygiene issues, 11% relating to wages and benefits, 8% relating to management systems, 15% relating to working hours; and the remaining 20% to other categories. We have followed up with the relevant suppliers with corrective action plans and are working together to resolve them. Where required, we are arranging follow-up audits to verify the issues have been identified and resolved.[...] Our review of all high-risk supplier audits raised 14 issues of non-compliance related to the SMETA audit section 'Freely Chosen Employment'. 8 of these issues relate to the lack of a formal policy at the supplier's facility, 3 related to wage deductions for staying in employment; 1 issue related to lack of evaluation systems in place to ensure compliance with laws on slavery and human trafficking, 1 related to unreasonable delay in payments due to workers when they leave, and 1 related to passports/ID papers of foreign workers kept by employer. We have followed up with the relevant suppliers with corrective action plans. At the time of writing, 13 of these issues of non-compliance have been verified as closed. [...] We recognise the risk of child labour and through our supplier audits, 58 issues of non-compliance were raised under the category of children and young workers. 36 issues related to the lack of a formal policy at the supplier's facility in relation to child labour or young workers or not having records in place to verify workers' age; 18 to the lack of child labour remediation programme; and 4 to a violation of the minimum age of employment. At the time of writing, 49 issues of non-compliance have been verified as closed. We are following up with the suppliers as part of their corrective action plans to ensure the other issues are resolved'. [MSA Statement 2021, 2021: diageo.com]
B.1.7	Engaging and terminating 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"> • Met: HR affects selection of suppliers: In its S&R Performance Addendum 2020, 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 its MSA 2021: 'It [Partnering with Suppliers Standards] sets out the minimum standards we require of our suppliers, along with

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>the wider sustainability aspirations we expect our suppliers to be working towards in areas such as water stewardship and reductions in carbon emissions.' [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] & [MSA Statement 2021, 2021: diageo.com]</p> <ul style="list-style-type: none"> • Met: HR affects on-going 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, 2022: media.diageocms.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe positive incentives offered to respect human rights • Not Met: Working with suppliers to meet HR requirements: It indicates on its website: 'Building capability: We help suppliers meet our standards by offering support and training to build their skills and capabilities'. However, no details found on the actual work carried out to do so. This subindicator looks for description of the work conducted. [Responsible sourcing - website, N/A: diageo.com]
B.1.8	Approach to engagement with affected stakeholders	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"> • Not Met: Stakeholder process or systems to identify and engage with workers/communities in the last two years: The Company indicates in human Rights Policy: 'In support of our programmes, business, human rights and the delivery of shared value, we are also committed to engaging with communities alongside all our stakeholders, both local and global, on an ongoing basis. At a local level, employees across Diageo's business engage their colleagues, local governments, suppliers, farmers, customers, media, civil society and community groups to respond to their interests and concerns. At a global level, we engage investors, customers, suppliers, and multinational organisations such as United Nations agencies or NGOs. By listening to everyone who engages with Diageo, we can ensure that ours is a business that understands stakeholders' expectations and meets them'. However, no description of the systems to identify affected and potentially affected stakeholders with whom to engage (in the last two years) was found. [Human Rights Policy, 2022: media.diageocms.com] • Not Met: Discloses stakeholders that HRs may be affected • Met: Provides two examples of engagement with stakeholders: According its Human Rights Policy: 'Our HRIAs engaged with the different stakeholders in our value chain, identifying those potentially affected by human rights issues, holding stakeholder interviews and assessing the risk while implementing appropriate remediation'. On its website section 'Responsible Sourcing': 'We are members of Sedex and contribute to their community cycle of events and workshops, as well as being members of Aim-Progress. This enables us to collaborate with other industry peer companies and identify common vulnerable and affected stakeholders so that we can address any issues and support these stakeholders collectively.' In addition, the Company discloses information about how it engages with its different stakeholders in its Annual Report 2021 including: 'Employees: Company-wide employee engagement surveys'. And finally, on its website 'Stakeholder engagement', it reports to have 'One-to-one meetings or conversations' with Local community organisations and NGOs, and Farmers. [Human Rights Policy, 2022: media.diageocms.com] & [Responsible sourcing - website, N/A: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Analysis of stakeholder views on company's HR issues • Not Met: Describe how views influenced company's HR approach

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

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	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"> • Met: Identifying risks in own operations: The Company states that 'Our HRIA programme is carried out by external human rights specialists alongside our own teams. It covers our own operations and those of our suppliers, including primary producers such as farmers, and our consumer markets. We consider all aspects of human rights through the assessment programme, both through focused assessments and through our routine engagement with key areas of our value chain such as agriculture. We also engage with the different stakeholders in our value chain, identifying those potentially affected by human rights risks. In 2019, we further strengthened this assessment process through our HRIA toolkit, which was developed as a result of a significant internal review. It provides additional structure to our processes, and guidance material for markets undergoing the assessment process. This aims to ensure a consistent approach for each HRIA. The programme supports markets through a systematic review of their businesses to identify and assess potential human rights impacts, and covers all aspects of our value chain, from raw materials'. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] • Met: Identifying risks through relevant business relationships: See above, the process covers 'our own operations and those of our suppliers'. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describe ongoing global risk identification in consultation with stakeholder/HR experts: See above. The programme is conducted 'by external human rights specialists alongside our own teams'. 'Engage with different stakeholders in our value chain, identifying those potentially affected by human rights risks'. The process is continuous. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] • Met: Triggered by new circumstances: The Company indicates on its website: 'Our third-party data comes through the Sedex Radar risk assessment tool, which is updated and informed by a number of sources that specialise in sustainability data. As well as informing us on country and category risk, we can also identify certain products which when being sourced from certain areas of the world can trigger risks relating to forced labour, child labour, conflict minerals and deforestation. This risk screening process allows us to identify vulnerable workers and focus on the areas of greatest risk and greatest potential benefit to those workers in our supply chain whilst working co-operatively with our suppliers to mitigate the risk and maximise the benefits.' [Responsible sourcing - website, N/A: diageo.com] • Not Met: Describes risks identified
B.2.2	Assessing human rights risks and impacts	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"> • Met: Describe process for assessment of HR risks and discloses salient HR issues: The Company states that 'Our HRIA programme [...] covers our own operations and those of our suppliers, including primary producers such as farmers, and our consumer markets. We consider all aspects of human rights through the assessment programme, both through focused assessments and through our routine engagement with key areas of our value chain such as agriculture. We also engage with the different stakeholders in our value chain, identifying those potentially affected by human rights risks. In 2019, we further strengthened this assessment process through our HRIA toolkit, which was developed as a result of a significant internal review. It provides additional structure to our processes, and guidance material for markets undergoing the assessment process. This aims to ensure a consistent approach for each HRIA. The programme supports markets through a systematic review of their businesses to identify and assess potential human rights impacts, and covers all aspects of our value chain, from raw materials to consumption.[...] In 2020, we carried out HRIAs in China, North America (United States/Canada), the Middle East (first phase) and China, bringing our total to 17. Assessments are prioritised by risk, initially at an international level and then within the local market context'. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] • Met: How process applies to supply chain: See above [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] • Met: Public disclosure of the results of HR assessment: See previous indicator. In addition, in its Sustainability & Responsibility Performance Addendum 2020, the

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Company states: 'In line with the UNGP, we have identified issues that are particularly salient to our business: labour rights, including the risk of child labour, especially in agricultural supply networks; treatment of contract labour; and sexual harassment in the hospitality sector'. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Meets all requirements under score 1 • Met: How it involved affected stakeholders in the assessment: The Company states in its Human Rights Policy: 'Our HRIAs engaged with the different stakeholders in our value chain, identifying those potentially affected by human rights issues, holding stakeholder interviews and assessing the risk while implementing appropriate remediation. We developed action plans and now review the progress of mitigation through our routine enterprise risk management processes'. [Human Rights Policy, 2022: media.diageocms.com]
B.2.3	Integrating and acting on human rights risks and impact assessments	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"> • Met: Action Plans to mitigate risks: In its Sustainability and Responsibility Report 2020: 'We have a 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, from our own operations to our suppliers, customers and other partners. Through it, we identify those people potentially affected by human rights issues, assess the risks and develop mitigation action plans [...] Each of our HRIAs results in an action plan'. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] • Met: Description of how global system applies to supply chain: See above. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] • Met: Example of actions decided on at least 1 salient HR issues: With respect its actions to face child labour, the Company reports: 'We have identified child labour as a potential risk within our agricultural supply chains, in Africa in particular. We therefore developed a child protection toolkit which we are implementing in all markets 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. We will build similar awareness with farming communities through our training programme, and monitor standards during visits to farmers. We will carry out further investigations to evaluate ongoing risk, the level of awareness amongst our teams and the farming communities, and the effectiveness of our child protection activity.' [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Meets all requirements under score 1 • Not Met: Involve stakeholders in decisions about actions: The Company indicates in its Human Rights Policy: 'In support of our programmes, business, human rights and the delivery of shared value, we are also committed to engaging with communities alongside all our stakeholders, both local and global, on an ongoing basis. At a local level, employees across Diageo's business engage their colleagues, local governments, suppliers, farmers, customers, media, civil society and community groups to respond to their interests and concerns. At a global level, we engage investors, customers, suppliers, [...]. Our HRIAs engaged with the different stakeholders in our value chain, identifying those potentially affected by human rights issues, holding stakeholder interviews and assessing the risk while implementing appropriate remediation. We developed action plans and now review the progress of mitigation through our routine enterprise risk management processes'. However, no further information describing how affected stakeholders are involved in decisions about the actions to take in response to its salient human rights issues. [Human Rights Policy, 2022: media.diageocms.com]
B.2.4	Tracking 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"> • Not Met: System for tracking or monitor if actions taken are effective: In its Human Rights Policy, the Company states: 'We measure the effectiveness of our human rights governance through our internal assurance framework and global audit and risk team, in addition to monitoring allegation and breach trends and root causes. We continue to enhance our risk mitigation plans based on lessons learned. For example, we are taking our Brand Promoter training online to increase accessibility and our ability to track training completion.' Additionally, in its Addendum to the Annual Report, the Company discloses 'Each of our HRIAs results

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>in an action plan. We review progress against these plans through our routine business processes. However, no more details found in relation to this. 'It also states it mitigates sustainability and responsibility risks by using 'Human rights interventions delivering against UN Guiding Principles and UK Modern Slavery Act requirements.' However, no further information found describing how the system works, to check if actions taken to face salient human rights issues were effective. No further evidence found in latest revision. [Human Rights Policy, 2022: media.diageocms.com] & [Sustainability & Responsibility Performance Addendum to the Annual Report 2019, 2019: diageo.com]</p> <ul style="list-style-type: none"> • Not Met: Lessons learnt from checking system effectiveness: The Modern Slave Statement includes details of actions taken regarding human rights risks, but no lessons learnt from checking the effectiveness of these actions could be found. No further evidence found in latest revision. [Modern Slavery Act Statement 2019, 2019: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Involve stakeholders in evaluation of actions taken
B.2.5	Communicating on human rights 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"> • Not Met: Provides two examples of comms with stakeholders: The Company indicates in its Human Rights Policy: 'Our HRIAs engaged with the different stakeholders in our value chain, identifying those potentially affected by human rights issues, holding stakeholder interviews and assessing the risk while implementing appropriate remediation. We developed action plans and now review the progress of mitigation through our routine enterprise risk management processes.' However, no examples were found demonstrating how it communicates with affected stakeholders regarding specific human rights impacts raised by them or on their behalf. [Human Rights Policy, 2022: media.diageocms.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe challenges to effective comms and how it is working to address them

C. Remedies and Grievance Mechanisms (20% 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"> • Met: Channel accessible to all workers: The Company indicates that 'SpeakUp is a confidential service for you (the reporter) to raise concerns about our business conduct, compliance and ethics matters, [...] our Code of Business Conduct ('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 local Business Integrity lead. If you are not a Diageo employee you are encouraged to raise your concerns with your most senior Diageo contact'. In addition, in its Human Rights Policy, the Company states: 'Our SpeakUp whistleblowing phone line and web reporting tool can be accessed by employees or by those in our value chain'. [MSA Statement 2021, 2021: diageo.com] & [How SpeakUp Works, 05/2022: secure.ethicspoint.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Channel is available in all appropriate languages and workers aware: Its Ethics Point platform 'SpeakUp' is available in 21 languages. In addition, the Company indicates in its MSA 2021: 'Our Code training is our way of ensuring that all employees fully understand what is expected of them and is delivered predominantly by e-Learning, [...]. The e-Learning is mandatory and assigned to every employee in every market annually and covers all areas of our Code, [...]. Employees can complete it in their chosen language on their desktop, laptop, tablet or smartphone, with a face-to-face classroom training option delivered at sites where employees do not use computers. All new joiners are required to complete the training within 30 days.' The Speak Up grievance mechanism is included in its Code of Conduct. [Speak up, N/A: diageospeakup.com] & [MSA Statement 2021, 2021: diageo.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Describe how workers in the supply chain have access to grievance mechanism: The Company indicates in Partnering with Suppliers Standard: 'We expect our suppliers to raise any concerns about our business conduct, or a potential breach of this Standard or our Code of Business Conduct, directly with their contact in Diageo. If a supplier prefers, a concern can also be raised through our SpeakUp service. SpeakUp is a confidential service for employees and third parties (including our suppliers) that is managed by an external company, independent of Diageo, with trained staff able to deal with calls in local languages.' In addition, it also states that: 'We expect our suppliers to provide a right to remedy for their employees through an accessible, trusted and fair grievance process.' [Partnering with suppliers, 2022: secure.diageo.com] • Met: Expect Suppliers to convey expectation to their own suppliers: See above. 'The Company states in Partnering with Suppliers Standard: 'We expect our suppliers to partner with us to promote these principles throughout their own supply chain and anyone they interact with while doing business for Diageo'. [Partnering with suppliers, 2022: secure.diageo.com]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	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"> • Met: Grievance mechanism for community: 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 Conduct ('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 local Business Integrity lead. If you are not a Diageo employee you are encouraged to raise your concerns with your most senior Diageo contact.' In addition, in its Human Rights Policy, the Company states: 'Our SpeakUp whistleblowing phone line and web reporting tool can be accessed by employees, by those in our value chain, and the communities where we operate.' [Human Rights Policy, 2022: media.diageocms.com] & [How SpeakUp Works, 05/2022: secure.ethicspoint.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes accessibility and local languages and stakeholder awareness: 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 channels, and how each mechanism works. However, it is not clear whether people from local communities have access to the Speak Up mechanism (and how they are made aware of its existence). [Speak up, N/A: diageospeakup.com] & [How SpeakUp Works, 05/2022: secure.ethicspoint.com] • Met: Communities access mechanism direct or through suppliers: The Company indicates in its Partnering with Suppliers Standards: 'We expect our suppliers to provide a right to remedy for their employees and for their local communities through an accessible, trusted and fair grievance process.' [Partnering with suppliers, 2022: secure.diageo.com] • Met: Expect supplier to convey expectation to their own suppliers: See above. 'The Company states in Partnering with Suppliers Standard: 'We expect our suppliers to partner with us to promote these principles throughout their own supply chain and anyone they interact with while doing business for Diageo'. [Partnering with suppliers, 2022: secure.diageo.com]
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"> • Not Met: Engages users to create or assess system: The Company indicates in its Human Rights Policy with respect its Speak up grievance system: 'We track and routinely review these mechanisms, along with any feedback on them, developing our approach to improve the process where practical.' However, it is not clear whether users are involved in this review. On its website it reports: 'Any confirmed breaches are actioned on immediately and where appropriate, learnings are shared to prevent recurrences.' However, it is not clear that user participates in the design or assessment of the grievance mechanism itself. [Human Rights Policy, 2022: media.diageocms.com] & [Human Rights - website, 2022: diageo.com] • Not Met: Examples (at least two) of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Engages with potential or actual users on the improvement of the mechanism • Not Met: Provides user engagement example (at least two) on improvement

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.4	Procedures related to the mechanism(s)/channel(s) are equitable, publicly available and explained	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"> • Met: Response timescales and how complainants will be informed: The Company indicates on its Speak Up website: 'Once you submit your concern via phone or web, you will receive a report key and password which can be used to follow up on your submission. You can use this to track the progress of your issue, add further information, and answer any questions the investigator may have. If you lose your unique reference number or password, you will have to file a new report, and state it is related to your previous report.' In addition, in its 'How Speak up works' document, it indicates: 'When an investigation is initiated, every effort will be made to close it out within 60 days, with an update provided to the reporter no later than a further 30 days from closure of the case. Updates will be provided either from the investigator directly to the reporter, via SpeakUp or a combination of both. Specific procedures may differ in individual countries – depending on local employment laws or arrangements agreed with trade unions, Works Councils or other employee bodies. For additional information of specific in-country procedures, please contact in-country HR, Legal, Corporate Security or your local Business Integrity lead, or, if you are not an employee, your most senior Diageo contact.' [Speak up, N/A: diageospeakup.com] & [How SpeakUp Works, 05/2022: secure.ethicspoint.com] • Not Met: Describe support (technical, financial, etc) available for equal access by complainants <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe types of outcome to complainant through use of mechanism • Not Met: Escalation to senior/independent level: The Company indicates in its 'How SpeakUp works' document: 'If an investigation is required, a single Diageo employee will take responsibility for being the case leader seeing the allegation through to conclusion – including ongoing communication with the reporter. This employee may be different from the individual(s) conducting the investigation. [...] Code related allegations are usually assigned to the relevant market Business Integrity lead, and people related issues to the market HRD. They will then determine next steps, including whether the matter 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 above market, the triage team will determine how to manage. A definition of issues that require oversight by a global team is contained within the Breach Management Global Standard'. However, the Breach Management Global Standard document is not available in the public domain. [How SpeakUp Works, 05/2022: secure.ethicspoint.com]
C.5	Prohibition of retaliation for raising complaints or concerns	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"> • Met: Public statement prohibiting retaliation: The 'How SpeakUp works' document 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 therefore will be treated very seriously. [...] If you witness or are subject to retaliation, you should report it to Legal, HR, Business Integrity or to SpeakUp, providing as much information as possible.' [How SpeakUp Works, 05/2022: secure.ethicspoint.com] • 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 SpeakUp platform is handled by a third party. [How SpeakUp Works, 05/2022: secure.ethicspoint.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Company indicate it will not retaliate against workers/stakeholders • Not Met: Expects suppliers to prohibit retaliation against workers/stakeholders: Its Partnering with Suppliers Standards indicates: 'We expect our suppliers to provide a right to remedy for their employees and for their local communities through an accessible, trusted and fair grievance process.' However, no provision requiring suppliers to prohibit retaliation against complainants was found. [Partnering with suppliers, 2022: secure.diageo.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	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"> • Met: Complainants not asked to waive rights: The Company states in its Human Rights Policy: 'we will not request that any individuals or communities waive their legal rights as a condition of participating in our (or any other judicial, or non-judicial) grievance/mediation process, [...]'. [Human Rights Policy, 2022: media.diageocms.com] • Met: Company does not require confidentiality provisions: In addition, it states in its Human Rights Policy: 'we will not [...] require confidentiality provisions (e.g., non-disclosure agreements) with respect to human rights grievances'. [Human Rights Policy, 2022: media.diageocms.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Will work with state based non judicial mechanisms: Also in its Human Rights Policy: 'Where appropriate we will also engage with local judicial or non-judicial grievance mechanisms to provide remedy. We will not impede access to state-based judicial or non-judicial mechanisms; or any other mechanisms available to people who make allegations of potential human rights impacts'. [Human Rights Policy, 2022: media.diageocms.com]
C.7	Remedying adverse 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"> • Not Met: Describes how remedy has been provided: In its Annual Report 2019, the Company indicates: 'We have identified three external 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. We have responded to these risks in a number of ways, such as awareness programmes focused on child protection. As part of this work, in 2018, we developed and rolled out training for a variety of internal and external stakeholders including, in some countries, selected suppliers and aggregators. This year, we commissioned an independent study into contracted labour, which we will use to develop key mitigation strategies for next year and beyond.' Additionally, in its Sustainability and Responsibility Addendum, it states in relation to human rights breaches 'The three substantiated cases related to: lack of designated lavatory and changing facilities for women at a supply site, an individual not being paid on time for work they did, and lack of guidelines on intern reimbursement and working hours. We have taken action to address each of these issues.' However, no evidence found describing how the Company provided remedy to the victims in a particular cause that has caused or contributed to (i.e. through supply chain). No further evidence found in latest documents. [Annual Report 2019, 2019: diageo.com] & [Sustainability & Responsibility Performance Addendum to the Annual Report 2019, 2019: diageo.com] • Not Met: Says how it would provide remedy for victims if no adverse impact identified <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Changes to systems, processes and practices to stop similar impact: The Company indicates on its website: 'Any confirmed breaches are actioned on immediately and where appropriate, learnings are shared to prevent recurrences.' However, no further information was found describing changes made. [Human Rights - website, 2022: diageo.com] • Not Met: Describe approach to monitoring implementation of agreed remedy • Not Met: Approach to learning from incident to prevent future impacts
C.8	Communication on the effectiveness of grievance mechanism(s) 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"> • Met: Number grievances filed, addressed or resolved and outcome achieved: In its MSA 2021, the Company reports: In 2020-21, six human rights allegations were raised via SpeakUp. Of these, only one case was substantiated, which was related to a third-party provider not keeping adequate payroll records for brand ambassadors. Corrective action was taken by the market team working with the third-party provider'. [MSA Statement 2021, 2021: diageo.com] • Not Met: How lessons from mechanism improve management system <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Evaluation of the channel/mechanism and changes made as result: The Company indicates in its Human Rights Policy: 'We track and routinely review these mechanisms, along with any feedback on them, developing our approach to improve the process where practical.' However, no further information describing changes made was found. [Human Rights Policy, 2022: media.diageocms.com] • Not Met: Describes procedures to address delays of outcomes agreed with stakeholders

D. Performance: Company Human Rights Practices (25% 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"> • Not Met: Discloses timebound target for suppliers to pay living wage or include in 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.' <p>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. [Partnering with suppliers, 2022: secure.diageo.com]</p> <ul style="list-style-type: none"> • Not Met: Improving living wage practices of suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of number affected by payment below living wage • Not Met: Provides analysis of trends demonstrating progress
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"> • Not Met: Avoids business model pressure on HRs (purchasing practices) • Not Met: Practices adopted to pay suppliers in line with agreed timeframes • Not Met: Review own operations to mitigate negative impact <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Examples of how it assessed, addressed and change purchasing practices
D.1.3	Mapping and disclosing 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"> • Met: Identifies direct and indirect suppliers back to manufacturing sites (factories or fields): The Company states in its Human Rights Policy: 'Suppliers are mapped globally and risk assessed which leads to a prioritised audit programme.' In addition, on its 'Responsible Sourcing' website, it indicates: '100% of our suppliers go through our responsible sourcing risk screening, including both direct and indirect suppliers.' [Human Rights Policy, 2022: media.diageocms.com] & [Responsible sourcing - website, N/A: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Discloses names and locations of significant parts of SP and why: In its Sustainability and Responsibility Report 2019, the Company indicates: 'Around 33,000 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'. However, no further details found, including names and locations of what the Company considers to be the most significant parts of its supply chain. [Sustainability & Responsibility Performance Addendum to the Annual Report 2019, 2019: diageo.com] • Not Met: Discloses which direct or indirect suppliers is involved in higher-risk activities
D.1.4.b	Prohibition of child labour: Age verification and corrective actions (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"> • Not Met: Child Labour rules in codes or contracts: The Company states in its Partnering with suppliers code: '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); and to protect and promote the special interests of employees under 18 by allowing them access to education, limiting employment during typical resting hours, and ensuring no exposure to working conditions that are likely to jeopardise their health and safety or morals. Children and young workers is a key element of the SMETA audit methodology and age verification takes place through the review of documents including policies and procedures in place to manage child labour. Another key method to prevent child labour through the audit is the focus put on ensuring hiring practices are including thorough checks on the ages of applicants and how this is able to be verified.' <p>However, no provision requiring remediation program was found. [Partnering with suppliers, 2022: secure.diageo.com]</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: How working with suppliers on child labour: In its S&R Performance Addendum, the Company reports: 'We have identified child labour as a potential risk within our agricultural supply chains, in Africa in particular. We therefore developed a child protection toolkit which we are implementing in all markets 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.' 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 & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] & [Modern Slavery Act Statement 2019, 2019: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Assessment of number affected by child labour in supply chain: The Company discloses information of the situation of child labour in its ESG Index Report 2021: 'We have reviewed higher-risk areas of our supply network, including agricultural supply chains in Africa, Brazil, Guatemala, Mexico and Turkey, and are not aware of any operations that have significant risks related to child labour. We will investigate allegations as and when they occur and take appropriate remedial action, involving relevant local agencies as appropriate. We have developed a child protection toolkit for both farming supply networks and the Diageo employees who are involved with them. Our review of all high-risk supplier audits raised 58 issues of non-compliance under the category of children and young workers. 36 issues relate to the lack of a formal policy at the supplier's facility in relation to child labour or young workers or not having records in place to verify workers' age, 18 to the lack of child labour remediation programmes, and 4 to a violation of the minimum age of employment. At the time of writing, 49 issues of non-compliance had been verified as closed. We are following up with the suppliers as part of their corrective action plans to ensure the other issues are resolved'. • Not Met: Analysis of trends in progress made: The Company indicates that 'Our review of all high-risk supplier audits raised 58 issues of non-compliance under the category of children and young workers. 36 issues relate to the lack of a formal policy at the supplier's facility in relation to child labour or young workers or not having records in place to verify workers' age, 18 to the lack of child labour remediation programmes, and 4 to a violation of the minimum age of employment. At the time of writing, 49 issues of non-compliance had been verified as closed. We are following up with the suppliers as part of their corrective action plans to ensure the other issues are resolved'. However, no trend analysis (comparison with previous years) was found. [ESG index 2021, 2022: diageo.com]
D.1.5.b	Prohibition of forced labour: Recruitment fees and costs (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"> • Met: Debt and fees rules in codes or contracts: The Company states in its Partnering with suppliers standard: '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 including debt bondage and any financial burdens on workers by withholding wages or paying expenses such as recruitment fees'. The supplier code also applies 'throughout their own supply chain and anyone they interact with while doing business for Diageo'. See below how action is taken in relation to local agencies. [Partnering with suppliers, 2022: secure.diageo.com] • Not Met: How working with suppliers on debt & fees: The Company discloses information about how it works with its supplier on its website: 'Ensuring expected standards: Our supplier assessments are designed to help our suppliers improve their sustainability performance, including areas such as labour rights, health & safety and environmental performance. While we have our own standards and guidelines, we aim to make progress through partnerships and work with industry associations such as Aim Progress, Sedex, CDP, Bonsucro and SAI Platform. Building capability: We help suppliers meet our standards by offering support and training to build their skills and capabilities.' However, no further information was found about proactive activities (such as training) describing how it works with its supply chain specifically to eliminate recruitment fees and related costs, including by ensuring full reimbursement to workers where relevant. [Responsible sourcing - website, N/A: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by payment of recruitment fees

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: Analysis of trends in progress made: The Company discloses information of the situation of forced labour in its ESG Index Report 2021: : 'We are not aware of any operations that have significant risks related to forced or compulsory labour. We will investigate allegations as and when they occur, and take appropriate remedial action, involving relevant local agencies as appropriate. Suppliers Our review of all high-risk supplier audits raised 14 issues of non-compliance related to the SMETA audit section 'freely chosen employment'. 8 of these issues relate to the lack of a formal policy at the supplier's facility, 3 relate to wage deductions for staying in employment, 1 issue related to lack of evaluation systems in place to ensure compliance with laws on slavery and human trafficking, 1 relates to unreasonable delay in payments due to workers when they leave, and one relates to passports/ID papers of foreign workers kept by employer. We have followed up with the relevant suppliers with corrective action plans. At the time of writing, 13 of these issues of non-compliance had been verified as closed.' However, no trend analysis (comparison with previous years) was found. [ESG index 2021, 2022: diageo.com]
D.1.5.d	Prohibition of forced labour: Wage practices (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"> • Not Met: Suppliers to pay workers in full and on time in codes or contracts • Not Met: How working with supply chain to pay workers regularly and on time: The Company discloses information about how it works with its supplier on its website: 'Ensuring expected standards: Our supplier assessments are designed to help our suppliers improve their sustainability performance, including areas such as labour rights, health & safety and environmental performance. While we have our own standards and guidelines, we aim to make progress through partnerships and work with industry associations such as Aim Progress, Sedex, CDP, Bonsucro and SAI Platform. Building capability: We help suppliers meet our standards by offering support and training to build their skills and capabilities.' However, no further information about proactive activities (such as training) describing how it works with its supply chain specifically to pay workers in full and on time was found. [Responsible sourcing - website, N/A: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by failure to pay directly • Not Met: Provides analysis of trends demonstrating progress
D.1.5.f	Prohibition of forced labour: Restrictions on workers (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"> • Met: Free movement rules in codes or contracts: The Company states in its Partnering with suppliers standard: '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 [...]. Workers must not be restricted with their movement, from retention of identification documents or bank payment cards. Similarly, workers should not be forced to use company provided accommodation'. [Partnering with suppliers, 2022: secure.diageo.com] • Not Met: How working with suppliers on free movement: The Company discloses information about how it works with its supplier on its website: 'Ensuring expected standards: Our supplier assessments are designed to help our suppliers improve their sustainability performance, including areas such as labour rights, health & safety and environmental performance. While we have our own standards and guidelines, we aim to make progress through partnerships and work with industry associations such as Aim Progress, Sedex, CDP, Bonsucro and SAI Platform. Building capability: We help suppliers meet our standards by offering support and training to build their skills and capabilities.' However, no further information about proactive activities (such as training) describing how it works with its supply chain specifically to eliminate retention of workers' documents or other actions to physically restrict movement was found. [Responsible sourcing - website, N/A: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by retaining docs or restricting movement

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: Provides analysis of trends demonstrating progress: The Company discloses information of the situation of forced labour in its ESG Index Report 2021: 'We are not aware of any operations that have significant risks related to forced or compulsory labour. We will investigate allegations as and when they occur, and take appropriate remedial action, involving relevant local agencies as appropriate. Suppliers Our review of all high-risk supplier audits raised 14 issues of non-compliance related to the SMETA audit section 'freely chosen employment'. 8 of these issues relate to the lack of a formal policy at the supplier's facility, 3 relate to wage deductions for staying in employment, 1 issue related to lack of evaluation systems in place to ensure compliance with laws on slavery and human trafficking, 1 relates to unreasonable delay in payments due to workers when they leave, and one relates to passports/ID papers of foreign workers kept by employer. We have followed up with the relevant suppliers with corrective action plans. At the time of writing, 13 of these issues of non-compliance had been verified as closed.' However, no trend analysis (comparison with previous years) was found. [ESG index 2021, 2022: diageo.com]
D.1.6.b	Freedom of association and collective bargaining (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"> • Met: FoA & CB rules in codes or contracts: The Partnering with suppliers code states that 'We expect our suppliers to allow employees the freedom of association and collective bargaining in accordance with applicable laws and regulations. This includes the right to join a trade union (or equivalent worker body) and suppliers are providing workers' representatives with the appropriate facilities to assist with developing collective bargaining agreements. Suppliers must prohibit any intimidation, harassment or violence against any union members and representatives. 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'. [Partnering with suppliers, 2022: secure.diageo.com] • Not Met: How working with suppliers on FoA and CB: The Company states that 'Our supplier assessments are designed to help our suppliers improve their sustainability performance, including areas such as labour rights, health & safety and environmental performance. While we have our own standards and guidelines, we aim to make progress through partnerships and work with industry associations such as Aim Progress, Sedex, CDP, Bonsucro and SAI Platform. Building capability: We help suppliers meet our standards by offering support and training to build their skills and capabilities'. However, no further information about proactive activities (such as training) describing how it works to support the practices of its suppliers in relation to freedom of association and collective bargaining was found. [Responsible sourcing - website, N/A: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by restrictions to FoA and CB in the SP • Not Met: Provides analysis of trends demonstrating progress: The Company discloses information of the situation of forced labour in its ESG Index Report 2021: 'Our review of all high-risk supplier audits found 65 issues of non-compliance related to the category of freedom of association and collective bargaining, 30 to the lack of a worker committee, 11 to the lack of a formal policy about freedom of association and right to collective bargaining, 10 to issues relating to the effectiveness of worker committees, 6 to issues concerning collective bargaining agreements, 5 to the effectiveness of the representation body for the workers, 2 to trade unions, 2 to lack of communication to workers about their right to join or form any worker committee or trade union, or bargain collectively, and 2 to the attitude of the employer towards representation bodies. At the time of writing, 49 of the issues of non-compliance had been verified as closed. We are following up with suppliers as part of their corrective action plans to ensure the other issues are resolved.' However, no trend analysis (comparison with previous years) was found. [ESG index 2021, 2022: diageo.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.7.b	Health and safety: Fatalities, lost days, injury, occupational disease 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"> • Met: Sets out clear Health and Safety requirements: The Company sets out clear Health and Safety requirements in its Partnering with suppliers standard document: '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, 2022: secure.diageo.com] • Not Met: Injury Rate or Lost days or Near miss disclosures for last reporting period: In its Sustainability and Responsibility Report 2020, 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. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] • Not Met: Fatalities rate for lasting reporting period: In its Annual Report 2020, 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 & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] • Not Met: Occupation disease rate for last reporting period <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: How working with suppliers on H&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&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&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'. However, this document, dated 2018, is now out of the three-year timeframe that the methodology requires. No further evidence found in latest documents. [Supplier Bussiness toolkit, 15/3/2018: diageo.com] • Not Met: Assessment of the number affected by H&S issues in the SP • Not Met: Provides analysis of trends demonstrating progress
D.1.8.b	Land rights: Land acquisition (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"> • Not Met: Rules on land & owners in codes or contracts: The Company states in its Partnering with suppliers standard: 'We expect our suppliers to make commitments for respecting the land rights of communities including indigenous peoples, land ownership and natural resources with specific consideration to water. Suppliers are required to have a process for identifying legitimate tenure rights holders when acquiring (or restricting) the use of land, particular attention should be given to vulnerable and marginalised tenure rights holders.' 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, no details were found in relation to requirements of negotiation to provide either adequate compensation or requested alternatives to financial compensation. [Partnering with suppliers, 2022: secure.diageo.com] & [Sustainable Agriculture Guidelines, 06/2018: diageo.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: How working with suppliers on land issues: The Company states that 'Our supplier assessments are designed to help our suppliers improve their sustainability performance, including areas such as labour rights, health & safety and environmental performance. While we have our own standards and guidelines, we aim to make progress through partnerships and work with industry associations such as Aim Progress, Sedex, CDP, Bonsucro and SAI Platform. Building capability: We help suppliers meet our standards by offering support and training to build their skills and capabilities.' However, no further information was found about proactive activities (such as training) describing how it works with its supply chain specifically to improve their practices in relation to land use/acquisition. [Responsible sourcing - website, N/A: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Includes resettlement requirements that the supplier provides financial compensation • Not Met: Assessment of the number affected by land rights issues in its SP • Not Met: Provides analysis of trends demonstrating progress
D.1.9.b	Water and sanitation (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"> • Met: Rules on water stewardship in codes or contracts: The Partnering with suppliers code states that 'We expect our suppliers to make commitments for respecting the land rights of communities including indigenous peoples, land ownership and natural resources with specific consideration to water.[...] 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 suppliers to: [...] understand their water usage in context of local availability and quality and manage it appropriately to support sustainable water stewardship; all key suppliers with water risk to adopt best practice stewardship – reporting water use, risks and management, and improving performance and reducing impact across their value chains'. [Partnering with suppliers, 2022: secure.diageo.com] • Met: How working with suppliers on water stewardship issues: The Company reports that: 'Our Water Blueprint defines our strategic approach to water stewardship. It is an integrated approach based on four core areas: the sourcing of raw materials; water use in our own operations; stewardship within the communities in which we operate; and local and global advocacy of best practice in water stewardship. [...] We set four targets to be achieved by 2020, against a 2007 baseline. Progress against each target is disclosed in our Annual Report through the following KPIs: [...] Target: Equip our suppliers with tools to protect water resources in our most water stressed locations. KPI: % of key suppliers engaged in water management practices.' In addition, on its 'Water in our supply chain' website, it indicates: 'Our approach is work with key suppliers to encourage improved water stewardship through reduced use and better management, and to focus on agricultural raw material supply chains, a significant majority of which are rain-fed. In particular, we will integrate responsible water management and climate change resilience into our regenerative agriculture programme for 150,000 smallholder farmers. Our 2030 targets on water in our supply chains include: All raw material suppliers achieve Diageo Water Stewardship Standard 150,000 smallholder farmers in water stressed areas have demonstrable improvement in climate change resilience 50% of all irrigated agricultural commodities in water stressed areas have best in class water efficiency'. Finally, on its website 'Preserve water for life' it states: 'We have a strong track record as good stewards and managing our impact on water, and we continue to do more. Our strategy builds on the holistic, context-based approach of the past decade – recognising the interdependencies between our use of water and the impact on communities, supply chains and the environment. Our grain-to-glass approach supports farmers (especially smallholders), improves water use in our operations, replenishes water in water stressed catchments, provides clean water to our communities, and strongly advocates for more collective action for a better water world for everyone.' [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] & [Water in our supply chain, N/A: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment on the number affected by lack of access to water and sanitation • Not Met: Provides analysis of trends demonstrating progress

Indicator Code	Indicator name	Score (out of 2)	Explanation
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"> • Met: Women's rights in codes or contracts: The Company indicates in its Partnering with Suppliers Standards: 'We expect our suppliers to protect the rights of women and the different dimensions of inequality often faced. Suppliers are expected to eliminate any discrimination against women through providing equal pay for equal work and that there are equal opportunities offered. This also includes the elimination of any health & safety issues prevalent to women workers and producers.' [Partnering with suppliers, 2022: secure.diageo.com] • Met: How working with suppliers on women's rights: The Company reports: 'We aim to promote inclusive growth by fostering sustainable value chains, delivering integrated community programmes, and using natural resources efficiently across our whole value chain. [...] In 2020, we: Reached over 290,000 people with our community programmes, addressing multiple strands of our strategy, including skills and entrepreneurship, women's empowerment, and WASH (access to water, sanitation and hygiene). [...] our research into local farming activity in Ethiopia led us to strengthen the controls on the quality of seeds provided to farmers and increase the emphasis on women's empowerment within our smallholder farming networks'. [Sustainability & Responsibility Performance Addendum to the Annual Report 2020, 2020: diageo.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment on the number affected by discrimination or unsafe working conditions • Not Met: Provides analysis of trends demonstrating progress

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 29.82 out of 80 points scored in themes A-D has been applied to produce a score of 7.46 out of 20 points for theme E.

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 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, 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.

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