

DIAGEO

Notice of Annual General Meeting 2012

This document is important and requires your immediate attention. If you have any doubts about the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, or other professional independent adviser authorised under the Financial Services and Markets Act 2000. If you have sold all of your shares, please pass this document and its enclosures to the stockbroker or other agent through whom the sale was effected, for transmission to the purchaser.

Notice is hereby given that the Annual General Meeting ('AGM') of Diageo plc will be held at Church House Conference Centre, Dean's Yard, Westminster, London SW1P 3NZ on Wednesday, 17 October 2012 at 2.30 pm.

The business of the AGM will be as follows (explanations of the resolutions are given in the Chairman's letter on page 9 of this AGM notice):

Report and accounts 2012

1. To receive the directors' and auditor's reports and the accounts for the year ended 30 June 2012.

Directors' remuneration report 2012

2. To approve the directors' remuneration report for the year ended 30 June 2012.

Declaration of final dividend

3. To declare a final dividend on the ordinary shares of 28¹⁰/₁₀₈ pence each ('Ordinary Share(s)'), of 26.90 pence per share for the year ended 30 June 2012.

Directors' re-election

4. To re-elect PB Bruzelius as a director.
5. To re-elect LM Danon as a director.
6. To re-elect Lord Davies as a director.
7. To re-elect BD Holden as a director.
8. To re-elect Dr FB Humer as a director.
9. To re-elect D Mahlan as a director.
10. To re-elect PG Scott as a director.
11. To re-elect HT Stitzer as a director.
12. To re-elect PS Walsh as a director.

Directors appointed since the last annual general meeting

13. To elect Ho KwonPing as a director.
14. To elect IM Menezes as a director.

Re-appointment of auditor

15. To consider and, if thought fit, to pass the following resolution as an ordinary resolution: THAT KPMG Audit Plc be hereby re-appointed as auditor of the company to hold office from the conclusion of this AGM until the conclusion of the next general meeting at which accounts are laid before the company.

Remuneration of auditor

16. To consider and, if thought fit, to pass the following resolution as an ordinary resolution: THAT the board be hereby authorised to determine the auditor's remuneration.

Authority to allot shares

17. To consider and, if thought fit, to pass the following resolution as an ordinary resolution: THAT the board be hereby generally and unconditionally authorised to allot shares in the company and to grant rights to subscribe for or convert any security into shares in the company up to an aggregate nominal amount of £241,715,000 and so that the board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, or legal, regulatory or practical problems in, or under the laws of, any territory or any other matter (including any such problems arising by virtue of equity securities (as defined in the Companies Act 2006 (the 'Act')) being represented by depositary receipts), such authorities to apply until the conclusion of next year's AGM (or, if earlier, until the close of business on 31 December 2013) but, in each case, so that the company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

Disapplication of pre-emption rights

18. To consider and, if thought fit, to pass the following resolution as a special resolution: THAT if resolution 17 is passed, the board be hereby given power to allot equity securities for cash under the authority given by that resolution and/or to sell Ordinary Shares held by the company as treasury shares for cash, in each case free of the restriction in section 561(1) of the Act, such power to be limited:

- a) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities:
 - i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - ii. to holders of other equity securities, as required by the rights of those securities, or as the board otherwise considers necessary,

and so that the board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, or legal, regulatory or practical problems in, or under the laws of, any territory or any other matter (including any such problems arising by virtue of equity securities being represented by depositary receipts); and

- b) in the case of the authority granted under resolution 17 and/or in the case of any sale of treasury shares for cash to the allotment (otherwise than under paragraph (a) above) of equity securities or sale of treasury shares up to a nominal amount of £39,845,000; and
 - c) to the allotment of equity securities in connection with the company's employee share plans and the company's employee share option plans for employees of joint ventures in which the company and/or any of its subsidiary undertakings (as defined in the Act) participates,
- such power to apply until the conclusion of next year's AGM (or, if earlier, until the close of business on 31 December 2013) but during this period the company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the board may allot equity securities under any such offer or agreement as if the power had not ended.

Authority to purchase own ordinary shares

19. To consider and, if thought fit, to pass the following resolution as a special resolution: THAT the company be hereby authorised for the purposes of section 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) of its Ordinary Shares on such terms and in such manner as the board may from time to time determine but subject to the following restrictions and provisions:
- a) the maximum number of Ordinary Shares hereby authorised to be purchased is 250,611,000;
 - b) the minimum price, exclusive of expenses, which may be paid for an Ordinary Share is 28¹⁰/₁₀₈ pence;
 - c) the maximum price, exclusive of expenses, which may be paid for an Ordinary Share is the higher of:
 - i. an amount equal to 105% of the average of the middle market quotations for an Ordinary Share (as derived from the London Stock Exchange Daily Official List) for the five business days immediately preceding the day on which that Ordinary Share is contracted to be purchased; and
 - ii. the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange at the time the purchase is carried out; and
 - d) unless previously revoked or varied, this authority will expire at the conclusion of next year's AGM or on 31 December 2013, whichever is the sooner, but so that the company may enter into, prior to such expiry, a contract to purchase Ordinary Shares which will or may be completed or executed wholly or partly after such expiry, and may purchase Ordinary Shares pursuant to any such contract under this authority.

Authority to make political donations and/or to incur political expenditure in the European Union ('EU')

20. To consider and, if thought fit, to pass the following resolution as an ordinary resolution: THAT, in accordance with sections 366 and 367 of the Act, the company and all companies that are at any time during the period for which this resolution has effect subsidiaries of the company be hereby authorised to:

- a) make political donations (as defined in section 364 of the Act) to political parties (as defined in section 363 of the Act) or independent election candidates (as defined in section 363 of the Act), not exceeding £200,000 in total;
- b) make political donations (as defined in section 364 of the Act) to political organisations other than political parties (as defined in section 363 of the Act) not exceeding £200,000 in total; and
- c) incur political expenditure (as defined in section 365 of the Act) not exceeding £200,000 in total;

in each case during the period beginning with the date of passing this resolution and ending at the end of next year's AGM or on 31 December 2013, whichever is the sooner, and provided that the aggregate amount of political donations and political expenditure so made and incurred by the company and its subsidiaries pursuant to this resolution shall not exceed £200,000.

Reduced notice of a general meeting other than an annual general meeting

21. To consider and, if thought fit, to pass the following resolution as a special resolution: THAT a general meeting of the company, other than an AGM, may be called on not less than 14 clear days' notice.

By order of the board

Paul Tunnacliffe

Company secretary
10 September 2012

Diageo plc
Registered office:
Lakeside Drive
Park Royal
London
NW10 7HQ
Registered in England No. 23307

Notes

- (1) Copies of the directors' service contracts (or, where appropriate, letters of appointment) are available for inspection during normal business hours at the company's registered office on any business day and will be available at the place where the AGM is being held from at least 15 minutes prior to and during the AGM.
- (2) To be admitted to the AGM, shareholders are asked to bring their admittance pass or notice of availability card that they have received through the post and be able to confirm their name, address and unique investor code as it appears on the register.
- (3) Any shareholder attending the AGM has the right to ask questions. The company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information, (b) the answer has already been given on the company's website (www.diageo.com) in the form of an answer to a question, or (c) it is undesirable in the interests of the company or the good order of the AGM that the question be answered.
- (4) Only holders of Ordinary Shares on the register at 6.00 pm on Monday, 15 October 2012 (or, in the event of any adjournment, the date which is two days before the time of the adjourned meeting) shall be entitled to attend and/or vote at the AGM. Such shareholders can vote in respect of the number of shares registered in their names at that time, but any subsequent changes to the register shall be disregarded in determining rights to attend and vote.
- (5) Any shareholder is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend the AGM and to speak and act on his/her behalf. If a shareholder appoints more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the company. A Form of Proxy which may be used to make such appointment and give proxy instructions can be found on the company's website (www.diageo.com) or can be requested from the Registrar at the address below. To be effective, a duly completed Form of Proxy, together with any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority, must reach The Registrar, Diageo plc, Edinburgh Park, 5 Lochside Way, Edinburgh EH12 9DT or, in the case of a proxy appointed electronically, the electronic address specified for this purpose on the company's website (please see 'Electronic Voting' on the homepage of www.diageo.com) by 2.30 pm on Monday, 15 October 2012 (or not less than 48 hours before the time fixed for any adjourned AGM). Participants in the company's Employee Share Plans or holders of shares in the Diageo Sharestore should refer to note 10. To appoint a proxy electronically you will need your unique investor code (which can be found on either your share certificate, dividend tax voucher or similar documentation as issued by the Registrar). Please note that any electronic communication that is found to contain a computer virus will not be accepted.

If two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same AGM, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.

- (6) Unless voting instructions are indicated on the Form of Proxy, a proxy may vote or withhold his vote as he thinks fit on the resolutions or on any other business (including amendments to resolutions) which may come before the AGM. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes for or against a resolution.
- (7) If you are an ordinary shareholder and wish to attend the AGM, the return of the Form of Proxy or the appointment of a proxy via the electronic voting section of the company's website or via CREST will not prevent you from attending and voting in person. In the case of joint holders, any one holder may vote. If more than one holder is present at the AGM, only the vote of the senior will be accepted, seniority being determined by the order in which names appear on the register.
- (8) A shareholder must inform the company in writing of any termination of the authority of a proxy.
- (9) CREST members who wish to appoint and/or give instructions to a proxy or proxies through the CREST electronic proxy appointment service may do so in accordance with the procedures described in the CREST manual

(available via www.euroclear.com/CREST). In order for a proxy appointment made through CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK and Ireland Limited specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID R015) by the latest time(s) for receipt of proxy appointments as set out in note 5 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. The company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is

- the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system provider are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (10) Participants in the company's Employee Share Plans and holders of shares in the Diageo Sharestore should complete the Letter of Direction section of the Form of Proxy. Those who are ordinary shareholders and/or participants in such plans and/or holders of shares in the Diageo Sharestore should complete both the Form of Proxy and the Letter of Direction section. The Letter of Direction must reach the Registrar (at the address specified in note 5), or in the case of a Letter of Direction completed electronically, the electronic address specified for this purpose on the company's website (please see 'Electronic Voting' on the homepage of www.diageo.com), by 2.30 pm on Thursday, 11 October 2012. The votes of employees or former employees of the company will be taken to include their Employee Share Plans and Sharestore shares together with holdings in their own name unless they notify the Registrar to the contrary at least 48 hours before the AGM. Holders of shares in the Diageo Sharestore should contact the Registrar and request a letter of admittance should they wish to attend the company's AGM.
- (11) Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares.
- (12) On arrival at the AGM venue, all those entitled to vote will be required to register and collect a poll card. In order to facilitate these arrangements, please arrive at the AGM venue in good time. You will be given instructions on how to complete your poll card at the AGM.
- (13) As soon as practicable following the AGM, the results of the voting at the AGM and the number of votes cast for and against and the number of votes withheld in respect of each resolution will be announced via a Regulatory Information Service and placed on the company's website (www.diageo.com).
- (14) A copy of this AGM notice has been provided for information only to persons who have been nominated by a shareholder to enjoy information rights under section 146 of the Act ('Nominated Persons'). The statement of the rights of shareholders in relation to the appointment of proxies does not apply to Nominated Persons. However, a Nominated Person may, under an agreement between him and the shareholder by whom he was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the shareholder as to the exercise of voting rights.

- (15) Under section 527 of the Act shareholders that meet the threshold requirements set out in that section have the right to require the company to publish on a website a statement setting out any matter relating to:
- i. the audit of the company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or
 - ii. any circumstance connected with an auditor of the company ceasing to hold office since the previous AGM at which annual accounts and reports were laid in accordance with section 437 of the Act.
- (18) The company's issued share capital at 13 August 2012, the latest practicable date prior to publication of this AGM notice (the 'Latest Practicable Date'), was 2,506,110,063 Ordinary Shares carrying one vote each, excluding any Ordinary Shares held as treasury shares. As at the Latest Practicable Date, the company held 248,005,922 Ordinary Shares as treasury shares, representing 10% of the company's issued share capital (excluding treasury shares) as at that date. As at the Latest Practicable Date, the total number of voting rights in the company was therefore 2,506,110,063.

The company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the company has been required under section 527 of the Act to publish on a website.

- (16) A copy of this AGM notice, and other information required by section 311(A) of the Act can be found at the company's website (www.diageo.com).
- (17) Any electronic address provided either in this AGM notice or any related documents (including the Chairman's letter and Form of Proxy) may not be used to communicate with the company for any purposes other than those expressly stated.

To the ordinary shareholders, employees and former employees who are holders of Ordinary Shares in the Diageo Sharestore, participants in the Profit Sharing Plans, The Diageo plc 2009 International Share Match Plan and the 2001 Share Incentive Plan of Diageo ('Employee Share Plans') and, for information only, to participants in other Diageo share plans.

Dear Shareholder

Annual General Meeting

The AGM of Diageo plc will be held at Church House Conference Centre, Dean's Yard, Westminster, London SW1P 3NZ on Wednesday, 17 October 2012 at 2.30 pm.

My explanation of each of the resolutions to be proposed is set out below. All resolutions will be proposed as ordinary resolutions, save for resolutions 18, 19 and 21 which will be proposed as special resolutions. Voting at the AGM will be by way of poll rather than on a show of hands, using a poll card. This is a more transparent method of voting as shareholder votes are to be counted according to the number of shares held. This will ensure an exact and definitive result.

Resolution 1 (report and accounts 2012)

These Diageo annual reports and accounts are for the year ended 30 June 2012.

Resolution 2 (directors' remuneration report 2012)

Sections 439 and 440 of the Act require that quoted companies put the directors' remuneration report to a vote of the shareholders. The vote is advisory only, however, and the directors' entitlement to remuneration is not conditional on the resolution being passed.

Resolution 3 (declaration of final dividend)

The company paid an interim dividend of 16.60 pence per Ordinary Share in April 2012. The board recommends a final dividend of 26.90 pence per Ordinary Share, bringing the total dividend for the year to 43.50 pence per Ordinary Share. Subject to approval by shareholders, the final dividend will be paid on 22 October 2012 to shareholders on the register on 7 September 2012. A Dividend Reinvestment Plan ("DRIP") is available in respect of this dividend and the plan notice date is 1 October 2012. A DRIP booklet and mandate form are available from the Registrar at the address given in note 5 on page 5 of this AGM notice or from the company's website (www.diageo.com).

Resolutions 4 to 14 (directors seeking election and re-election)

The company's articles of association provide that any director who has been appointed by the Board since the last AGM is required to retire and may then be considered for election assuming they wish to stand for election. The directors appointed since the last AGM are Ho KwonPing and IM Menezes, and both are seeking election.

In accordance with the UK Corporate Governance Code, all of the other directors of the company will stand for re-election.

In relation to the re-election of non-executive directors, PB Bruzelius, LM Danon, Lord Davies, BD Holden, PG Scott and HT Stitzer, I can confirm that a formal performance evaluation has been completed and the Board has determined that each of them is independent, is experienced and all are influential individuals from a range of industries, backgrounds and countries.

Their diverse mix of skills and business experience is a major contribution to the proper functioning of the board and its committees, ensuring that matters are fully debated and that no individual or group dominates the board's decision-making processes. The board considers that Ho KwonPing's knowledge, experience and skills will further enhance the effectiveness of the board. The board also considers that IM Menezes's experience will make a significant contribution to the executive leadership of the company.

Biographical details of the company's directors seeking election and re-election are set out in the Appendix to this letter.

Resolution 15 (re-appointment of auditor)

At each general meeting at which accounts are laid before the members, the company is required to appoint an auditor to serve until the next such meeting. KPMG Audit Plc has agreed to continue as the company's auditor in respect of the financial year ending 30 June 2013.

Resolution 16 (remuneration of auditor)

Resolution 16 authorises the board to determine the remuneration of the company's auditor.

Resolution 17 (authority to allot shares)

At the AGM held on 19 October 2011, shareholders gave authority to the board, which will expire on 17 October 2012, to allot a maximum of £241,511,000 in nominal value of Ordinary Shares and any securities convertible into Ordinary Shares. Resolution 17 replaces the authority granted in 2011 and would allow the board to allot, or to grant rights to subscribe for or convert any securities into Ordinary Shares up to an aggregate nominal amount equal to £241,715,000 (representing 835,370,000 Ordinary Shares). This amount represents approximately

one-third of the company's issued share capital (excluding treasury shares) as at the Latest Practicable Date.

The authority sought under this resolution will expire at the earlier of 31 December 2013 and the conclusion of next year's AGM. The board will continue to seek to renew this authority at each AGM, in accordance with current best practice.

The board has no present firm intention to exercise the authority sought under resolution 17, except to satisfy options under the company's share option plans.

As at the Latest Practicable Date, 248,005,922 Ordinary Shares are held by the company in treasury (representing 10% of the total issued share capital (excluding treasury shares) of the company).

Resolution 18 (disapplication of pre-emption rights)

Resolution 18 would give the board the authority to allot Ordinary Shares (or sell any Ordinary Shares which the company elects to hold in treasury) for cash without first having to offer them to existing shareholders in proportion to their existing shareholdings.

This authority would be limited to allotments of new Ordinary Shares or sales of treasury shares, for cash, in connection with pre-emptive offers or to allotments of equity securities to employees of joint ventures in which the group participates, or as the board otherwise considers necessary, up to an aggregate nominal amount of £39,845,000 (representing 137,705,000 Ordinary Shares), equivalent to 5% of the issued Ordinary Share capital (including treasury shares) of the company as at the Latest Practicable Date. In respect of this

aggregate nominal amount, the board confirms its intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative usage of authorities of no more than 7.5% of the issued Ordinary Share capital (excluding treasury shares issued for cash) within a rolling 3 year period without prior consultation with shareholders. The board will continue to seek to renew this authority at each AGM, in accordance with current best practice.

This authority will expire at the earlier of 31 December 2013 and the conclusion of next year's AGM.

Resolution 19 (authority to purchase own ordinary shares)

At the AGM held on 19 October 2011, the shareholders granted authority for the company to buy up to a maximum of 250,399,000 of its own Ordinary Shares in the market.

Resolution 19 renews and replaces that authority and would allow the company to buyback up to 250,611,000 Ordinary Shares (i.e. £72,514,000 in nominal value) in the market (10% of the issued Ordinary Share capital, exclusive of treasury shares, at the Latest Practicable Date). The company had options to subscribe for Ordinary Shares outstanding at the Latest Practicable Date relating to 490,649 Ordinary Shares. This figure represents 0.02% of the issued Ordinary Share capital (exclusive of treasury shares), at the Latest Practicable Date and would, assuming no further Ordinary Shares are issued, represent 0.02% of the issued Ordinary Share capital if full authority to purchase shares (both the existing authority and that sought at this year's AGM) was used.

The resolution sets out the lowest and highest prices that the company can pay for the Ordinary Shares (for each Ordinary Share, the lowest being the nominal value of an Ordinary Share and the highest being the higher of (i) 105% of the average middle market quotation for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days preceding the day of purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange at the time the purchase is carried out). The authority will expire at the conclusion of next year's AGM or on 31 December 2013, if earlier. Any buyback would be by market purchases through the London Stock Exchange.

Any Ordinary Shares so purchased would be either held as treasury shares or cancelled. In the period from 20 October 2011 to the Latest Practicable Date, 2,786,000 Ordinary Shares have been purchased and held as treasury shares under the existing authority.

The board would only authorise such purchases after careful consideration, taking account of other investment opportunities, appropriate gearing levels, the overall financial position of the group and whether the effect would be an increase on earnings per share and in the best interests of shareholders generally.

Resolution 20 (political donations and political expenditure in the European Union ('EU'))

Under section 366 of the Act, the company is required to seek shareholders' authority for any political donations and/or political expenditure made by the company in the EU. On 19 October 2011 the board was granted authority to make such political donations and/or incur such political expenditure, capped at £200,000.

Within the EU, it has been the company's longstanding practice not to make payments to political parties and the intention is that this will remain the case. However, the legislation is very broadly drafted and may catch activities such as funding seminars and other functions to which politicians are invited, supporting certain bodies involved in policy review, and law reform and matching employees' donations to certain charities. The group made no donations to EU political organisations and incurred no EU political expenditure during the year. The group made contributions to non-EU political parties totalling £0.4 million during the year (2011 – £0.6 million). These were all made, consistent with applicable laws, to federal and state candidates and committees in North America, where it is common practice to make political contributions. No particular political persuasion was supported and contributions were made with the aim of promoting a better understanding of the group and its views on commercial matters, as well as a generally improved business environment.

The board has decided to continue to seek shareholders' authority for political donations and political expenditure in the EU in case any of the company's normal activities are caught by the legislation. The authority sought would be capped at £200,000 for the next year. The authority will expire at the conclusion of next year's AGM or on 31 December 2013, if earlier. The board will continue to seek to renew this authority at each AGM, in accordance with current best practice.

Resolution 21 (reduced notice of a general meeting other than an annual general meeting)

Changes made to the Act by the Companies (Shareholders' Rights) Regulations 2009 require the company to call general meetings (other than AGMs) on at least 21 clear days' notice unless the company:

- has obtained shareholder approval for the holding of such general meetings on 14 clear days' notice by passing a special resolution at its most recent AGM (or at a general meeting held since the AGM); and
- offers the facility to vote by electronic means for all shareholders who are entitled to vote.

Following shareholder approval at the 2011 AGM, which currently allows the company to call general meetings (other than AGMs) on 14 clear day's notice, shareholders are being asked to approve Resolution 21, to preserve this ability.

The approval will be effective until the company's next AGM. The company does not intend to use this authority routinely, but only in limited circumstances for time-sensitive matters where a shorter notice period would be advantageous to shareholders as whole.

Issued share capital

The company's issued share capital at the Latest Practicable Date was 2,506,110,063 Ordinary Shares carrying one vote each, excluding any Ordinary Shares held as treasury shares. As at the Latest Practicable Date, the company held 248,005,922 Ordinary Shares as treasury shares,

representing 10% of the company's issued share capital (excluding treasury shares) as at that date. As at the Latest Practicable Date, the total number of voting rights in the company was therefore 2,506,110,063.

Annual Report

The 2012 Annual Report can be viewed at or downloaded from the company's website (www.diageo.com) or a copy requested by writing to The Registrar, Diageo plc, Edinburgh Park, 5 Lochside Way, Edinburgh EH12 9DT, or calling +44 (0) 131 519 2090, or by emailing the.registrar@diageo.com.

Electronic communications

Diageo encourages you to receive communications and documents electronically, by registering your email address at www.diageoregistrars.com. You will be sent an email letting you know that your shareholder documents will be available on the company's website (www.diageo.com) for you to view or download.

Gleneagles offers

For shareholder offers please visit www.gleneagles.com/diageoshareholder

Warning to shareholders – share fraud

Please beware share fraud or 'boiler room' scams, where shareholders are called 'out of the blue' by fraudsters (sometimes claiming to represent Diageo) attempting to obtain money or property dishonestly. Further information is available in the investor section of the company's website (www.diageo.com) but in short, if in doubt, take proper professional advice before making any investment decision.

Recommendation

The board considers that the resolutions contained in this AGM notice and to be proposed at the AGM are in the best interests of the company and shareholders as a whole and recommend that you vote in favour of them. Directors who hold shares in the company intend to vote in favour of these resolutions in respect of their own beneficial holdings.

Yours sincerely

Dr Franz B Humer

Chairman
10 September 2012

Diageo plc
Registered office:
Lakeside Drive
Park Royal
London
NW10 7HQ
Registered in England No. 23307

Appendix

Biographies of directors standing for election and re-election

Peggy B Bruzelius, non-executive director

Appointed a non-executive director of Diageo plc in April 2009. She is chairman of Lancelot Asset Management in Sweden and sits on the boards of Akzo Nobel NV in the Netherlands, Syngenta AG in Switzerland and Axfood AB and Skandia Mutual Life Insurance AB, both in Sweden. She was formerly managing director of ABB Financial Services AB, headed the asset management arm of Skandinaviska Enskilda Banken AB and a non-executive director of Scania AB.

Age: 62

Nationality: Swedish

(Committees: 1, 3, 4)

Laurence M Danon, non-executive director

Appointed a non-executive director of Diageo plc in January 2006. She is chairman of the executive board of Edmond de Rothschild Corporate Finance and a non-executive director of Groupe BPCE and TF1, both in France. Formerly she served with the French Ministry of Industry and Energy, held a number of senior management posts with Total Fina Elf and was chairman and chief executive officer of France Printemps. She was also a non-executive director of Experian Group Limited, Plastic Omnium SA and Rhodia SA.

Age: 56

Nationality: French

(Committees: 1, 3, 4)

Lord Davies of Abersoch, Senior non-executive director

Appointed a non-executive director of Diageo plc in September 2010 and senior non-executive director and chairman of the remuneration committee in October 2011. Lord Davies is a partner of Corsair Capital, non-executive chairman of Pinebridge Investments Limited and chair of the advisory board of Moelis & Co. He is also a trustee of the Royal Academy of Arts and chair of the Council, University of Wales, Bangor. Previously he was a non-executive director of Bharti Airtel Limited, Minister for Trade, Investment and Small Business for the UK Government between January 2009 and May 2010 and prior to this role, Lord Davies was chairman of Standard Chartered PLC.

Age: 59

Nationality: British

(Committees: 1, 3, 4*)

Betsy D Holden, non-executive director

Appointed a non-executive director of Diageo in September 2009. She is a senior adviser to McKinsey & Company and holds non-executive directorships of Tribune Company and Western Union Company, both in the United States. She is a member of the board of trustees at Duke University and a member of the Dean's advisory board at the Kellogg School of Management. She was formerly president, global marketing and category development and co-chief executive officer of Kraft Foods, Inc.

Age: 56

Nationality: American

(Committees: 1, 3, 4)

**Dr Franz B Humer, Chairman,
non-executive director**

Appointed chairman of Diageo plc in July 2008, having been a non-executive director since April 2005. He is also chairman of F. Hoffmann-La Roche Ltd in Switzerland, chairman of INSEAD's board of directors and a non-executive director of CitiGroup Inc. He was formerly chief operating director of Glaxo Holdings plc and has held a number of other non-executive directorships.

Age: 66

Nationality: Swiss/Austrian
(Committee: 3*)

Ho KwonPing, non-executive director

Appointed a non-executive director of Diageo with effect from 1 October 2012. He is executive chairman and founder of Banyan Tree Holdings, Ltd and an advisor to the global investment bank Moelis & Co. He is also chairman of the Singapore Management University. Formerly he served as non-executive director at Singapore Airlines Ltd and Standard Chartered Plc, as well as chairman of MediaCorp Pte Ltd and Singapore Power Ltd.

Age: 60

Nationality: Singaporean
(Committees: 1, 3, 4)

**Deirdre Mahlan, Chief financial officer,
executive director**

Appointed chief financial officer and a director of Diageo plc in October 2010, prior to which she was deputy chief financial officer and before that head of tax and treasury. She joined the company in 2001, having held various senior finance positions in Joseph E Seagram & Sons Inc since 1992 and having formerly been a senior manager with Pricewaterhouse. She was appointed as a non-executive director of Experian plc with effect from September 2012 and is also a member of the Main Committee of the 100 Group of Finance Directors.

Age: 50

Nationality: American
(Committee: 2)

**Ivan M Menezes, Chief operating officer,
executive director**

Appointed a director of Diageo plc in July 2012 and appointed chief operating officer in March 2012 having been president, North America since January 2004, chairman, Diageo Asia Pacific since October 2008 and chairman, Diageo Latin America and Caribbean since July 2011. Formerly he held various senior management positions with Guinness and then Diageo and worked across a variety of sales, marketing and strategy roles with Nestlé in Asia, Booz-Allen Hamilton Inc in the United States and Whirlpool in Europe. He is also a non-executive director of Coach Inc., in the United States.

Age: 53

Nationality: American/British
(Committee: 2)

Philip G Scott, non-executive director

Appointed a non-executive director of Diageo plc and chairman of the Audit Committee in October 2007. He is the president of the Council of the Institute and Faculty of Actuaries and is a non-executive director of the Royal Bank of Scotland Group plc. He was previously chief financial officer of Aviva plc.

Age: 58

Nationality: British

(Committees: 1*, 3, 4)

H Todd Stitzer, non-executive director

Appointed a non-executive director of Diageo plc in June 2004. He is chairman and a non-executive director of Signet Limited and a non-executive director of Massachusetts Mutual Life Insurance Company. He is also a member of the advisory board of Hamlin Capital Management, LLC, a New York based investment advisory firm, and a member of the advisory committee of Virgin Group Holdings Limited. He was previously chief executive of Cadbury plc.

Age: 60

Nationality: American

(Committees: 1, 3, 4)

Paul S Walsh, Chief executive officer, executive director

Appointed chief executive of Diageo plc in September 2000. He has served in a number of management roles since joining GrandMet's brewing division in 1982, including chief executive officer of The Pillsbury Company. He was appointed to the GrandMet board in October 1995 and to the Diageo plc board in December 1997. He is lead non-executive and deputy chair of the board of the Department of Energy and Climate Change, a non-executive director of Avanti Communication Group plc, a non-executive director of Unilever PLC and a non-executive director of FedEx Corporation in the United States. He was appointed a business ambassador on the UK Government's Business Ambassador network on 9 August 2012 and is also a member of the UK Government's Business Advisory Group and a member of the Council of the Scotch Whisky Association.

Age: 57

Nationality: British

(Committee: 2*)

Key to committees

- 1 Audit
- 2 Executive (comprising senior management)
- 3 Nomination
- 4 Remuneration
- * Chairman of committee