

DIAGEO US HOLDINGS (UNLIMITED COMPANY)

Statement on Section 172 of the Companies Act 2006

Section 172 of the Companies Act 2006 requires the directors to promote the success of the company for the benefit of the members as a whole, having regard to the interests of stakeholders in their decision-making. In making decisions, the directors consider what is most likely to promote the success of the company for its shareholders in the long term, as well as the interests of the group's stakeholders. The directors understand the importance of taking into account the views of stakeholders and the impact of the company's activities on local communities, the environment, including climate change, and the group's reputation.

The company is a member of the group whose ultimate holding company is Diageo plc. In accordance with the requirements of UK company law, Diageo plc has included in its Annual Report on page 5 a statement as to how the directors of Diageo plc have had regard to the matters set out in Section 172 of the Companies Act 2006.

In order to ensure consistency in how the group operates with regard to its wider stakeholders, the group has adopted an internal Code of Business Conduct alongside a comprehensive framework of global policies and standards that are designed to ensure, amongst other things, that all companies throughout the group, including the company, have regard to its wider stakeholders in a consistent manner.

The company has therefore had regard to the matters set out in Section 172 of the Act in a manner that is consistent with the approach adopted by Diageo plc, while at the same time ensuring the directors of the company are fulfilling their duties.

Main activities of the Board

The main activities of the board during the year include:

- approval of various transactions relating to an intragroup reorganisation including of the payment of dividends, reduction of capital and issuing shares to its parent;
- approval of the change of the functional and the presentational currency of the company in order to ensure more reliable and faithful presentation in accordance with IAS 21; and
- approval of the financial statements for the financial year ended 30 June 2019

On behalf of the Board:

J M C Edmunds
Director
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13 January 2021