

Diageo India advances Spirit of Progress with enhanced ESG Disclosures and First Climate Strategy & Action Report

India, 23 October 2026: Diageo India (United Spirits Limited), one of India's leading beverage alcohol companies, has released its **fifth consecutive ESG Reporting Index**, alongside the publication of its **first Climate Strategy & Action Report 2026**, reinforcing the Company's commitment to transparent ESG and climate disclosures while highlighting continued progress under its **Spirit of Progress agenda** across environmental stewardship, people and communities, responsible business practices and climate action in FY2025–26.

The FY2026 ESG Reporting Index marks an evolution in Diageo India's ESG disclosures through a Double Materiality Assessment, evaluating the Company's impacts on society and the environment and sustainability-related risks and opportunities to the business, in line with the Spirit of Progress agenda. Complementing the Index, the Climate Strategy & Action Report 2026 sets out Diageo India's climate ambition, transition pathway, governance, climate-related risks and opportunities, and progress across its operations and value chain. Together, the disclosures provide a more comprehensive view of the Company's sustainability performance and its approach to building resilience across its grain-to-glass value chain.

Jitendra Mahajan, Chief Supply and Sustainability Officer, Diageo India, added, *"Sustainability at Diageo India is about embedding responsible practices across our grain-to-glass value chain and translating our ambitions into measurable progress. In FY2025–26, we continued to advance water stewardship, climate strategy & action, and renewable energy, reduce emissions, strengthen packaging circularity and support regenerative agriculture pilots. As we move forward, our focus remains on scaling these interventions across our operations and value chain while creating long-term value for our business, our communities and the environment."*

Highlights from Diageo India's FY 2026 ESG disclosures

1. Pioneer Grain-to-Glass Sustainability:

Diageo India continued to advance sustainability across its operations and value chain, with progress spanning water stewardship, renewable energy, emissions reduction, packaging circularity and regenerative agriculture pilots.

a. Preserve Water for Life

- **Water replenishment:** The Company has created cumulative replenishment capacity of 1.6 million cubic metres of water across water-stressed sites since FY2019–20.
- **Water efficiency:** Water-use efficiency improved by 56% in distillation and 40% in packaging compared with the FY2019–20 baseline.
- Three sites achieved **ZLD** certification during the year reinforcing our commitment to responsible wastewater management, recovery and the prevention of untreated effluent discharge.
- **Water circularity:** More than 90% of wastewater volume was treated and reused within the same facility for utilities, landscaping, cooling and other non-potable applications.

b. Advancing Climate Action and Resilience

Diageo India continued to reduce emissions while increasing the share of renewable energy across its operations.

- **GHG emissions:** Scope 1 and Scope 2 market-based GHG emissions were **reduced by 93%** since FY2020. For Scope 3, the ambition is a 26% reduction by 2030, with Net Zero across Scopes 1, 2 and 3 by 2050.
- **Renewable energy:** Renewable energy represented **99.1% of total energy consumption**, including renewable electricity attributes through I-RECs. Total energy consumption stood at 1,077 TJ.
- **On-site renewable power:** Solar and biomass powered turbine generation supplied 61% of electricity, avoiding 16,281 tCO₂e in FY2025–26.
- **Value-chain decarbonisation:** The Climate Strategy & Action Report identifies Scope 3 as the largest part of Diageo India's emissions footprint, with approximately 98% of FY2022 emissions coming from the value chain. Packaging materials and agricultural raw materials are the largest sources, making value-chain transformation central to the Company's climate pathway.

c. Advancing Packaging Circularity

Packaging remained a key area of action, guided by the 4R principles of Reduce, Replace, Reuse and Recycle, with initiatives focused on reducing material use, adopting alternative materials, increasing reuse and incorporating recycled content.

- **Reduce:** PET lightweighting delivered a **17% reduction in weight**, avoiding **1,601 MT CO₂**, while lightweighting across the glass portfolio delivered a **6% weight reduction**, avoiding **866 MT CO₂** compared with FY25.
- **Reuse:** **33,607 MT of market-returnable glass bottles** were reused across the portfolio
- **Recycle:** **99% of packaging was widely recyclable**, while **60% of packaging material came from recycled content**.
- **Replace:** A large share of 90ml and 180ml packs shifted from glass to food-grade rPET, reducing container weight by **86%**, resulting in estimated reduction of **35,507 MT CO₂** compared with FY25.

d. Supporting Regenerative Agriculture and Climate-Resilient Communities

- Regenerative practices were implemented across **804 hectares**, including **426 hectares digitally measured and verified through satellite MRV**. The programme also benefited **1,000+ farmers across 2,000 hectares**, with farmers seeing approximately **19% optimisation in cost of production**.
- **91% of the verified area** adopted Alternate Wetting and Drying practices.
- The interventions contributed to a reported **495 tCO₂e reduction** and **600,300 litres of irrigation water savings**.

- More than **30,000 mangroves** were planted in Puri, Odisha, while **2 lakh+ trees** were planted and maintained in Alwar, Rajasthan.

2. Championing Inclusion and Diversity:

In FY2025–26, Diageo India continued to strengthen its focus on **building capabilities, supporting employee wellbeing and expanding access to opportunities**, both within the organisation and across its communities. This included a continued emphasis on women’s representation, workplace safety, skills development and programmes supporting vulnerable and marginalised groups.

- **Women’s representation:** In FY2025–26, women represented **30% of the executive workforce** and **37.5% of the Executive Committee**. Diageo India aims to increase women’s representation to **33% in the executive workforce and 50% in leadership positions by 2030**.
- **Learning for Life:** Through the Learning for Life programme, **1,968 people** were trained in FY2025–26 including 318 PWD’s, with **100%** beneficiaries belonging to vulnerable and marginalised groups.
- **Skills development:** Internal training programmes recorded **4,971 employee participations**, totalling **8,216 training manhours**, across areas including safety, quality, manufacturing excellence, HR, engineering, sustainability and supply chain.
- **Community inclusion:** **50%** CSR beneficiaries were women, reinforcing the Company’s focus on creating access to opportunities across its communities.

3. Promoting Positive Drinking:

Guided by the philosophy of “Drink Better, Not More,” Diageo India continued to scale initiatives focused on preventing underage drinking, promoting safer roads and encouraging responsible consumption.

- **Act Smart India initiative** reached **2.5 lakh+ young people** with education on the risks of underage drinking in FY2025–26, taking its cumulative reach to **7.5 lakh+ since FY2020–21**.
- **The Wrong Side of the Road programme** reached **7.5 lakh+** consumers in FY2025–26, taking its cumulative reach to **1.9 million+** since 2021.
- **The DRINKiQ platform** continued to drive awareness around moderation and the potential harms of excessive alcohol consumption, remaining accessible to consumers across digital touchpoints.

4. Doing Business the Right Way:

Strong governance and ethical business practices remain central to Diageo India’s approach to ESG, with accountability embedded across its governance structures.

- The Board comprises 10 members, including 50% Independent Directors and three women directors, and is chaired by an Independent Director. It is supported by specialised

committees including the Audit Committee, Risk Management Committee, Nomination & Remuneration Committee and CSR & ESG Committee.

- The **CSR & ESG Committee of the Board** oversees the Company's ESG performance, while cross-functional teams support the integration of ESG priorities across business processes.
- The company has been recognised by leading ESG rating agencies for its strong sustainability performance. Sustainalytics has assigned the company an ESG Risk Rating of 19.40, placing it in the Low ESG Risk category. NSE ESG Ratings has rated the company as a Leader, while CRISIL ESG Ratings has rated it as Strong, reflecting the strength of our ESG management practices and disclosures.
- **100% of operations** underwent an annual comprehensive compliance risk assessment covering conflicts of interest, unethical business practices and other compliance risks.

About Diageo India

Diageo India is among India's leading beverage alcohol (alcobev) companies with an outstanding portfolio of premium brands. A subsidiary of Diageo Plc., it is listed in India on both the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) as United Spirits Limited (USL).

Headquartered in Bengaluru, Diageo India has one of the largest manufacturing footprints in alcobev with 35 facilities across India. It manufactures, sells, and distributes Johnnie Walker, McDowell's No1, Black Dog, Black & White, Antiquity, Signature, The Singleton, Royal Challenge, Smirnoff, Greater Than, Don Julio, Tanqueray, Godawan, among others, bringing together global expertise and local pride to deliver innovative, world-class products and experiences to consumers. With a strong focus on driving a positive impact on society, Diageo India has been working on collective action to improve livelihoods, championing Grain to Glass sustainability, responsible consumption and nurturing the alcobev ecosystem, to contribute to India's growth agenda.

For more information about Diageo India, our people, our brands, and our performance, visit us at www.diageoindia.com.

Visit Diageo's global responsible drinking resource, <http://www.DRINKiQ.com>, for information, initiatives, and ways to share best practices.