

Dated 26 August 2020

DIAGEO PLC
as Guarantor

DEED OF GUARANTEE
Programme for the Issuance of Debt Instruments

Slaughter and May
One Bunhill Row
London
EC1Y 8YY
(OIS/MJXM)

900526166

THIS DEED OF GUARANTEE (this "**Deed of Guarantee**") is made on 26 August 2020

BY

(1) **DIAGEO PLC** (the "**Guarantor**")

IN FAVOUR OF

(2) **THE HOLDERS** and **THE ACCOUNTHOLDERS** (as defined below)

WHEREAS

- (A) **Diageo plc** (in its capacity as issuer of Instruments), **Diageo Finance plc** and **Diageo Capital B.V.** (each, an "**Issuer**" and together, the "**Issuers**" which expressions shall, where the context permits, include any subsidiary of Diageo plc duly appointed as an issuer in accordance with the amended and restated dealership agreement dated on or around the date hereof and entered into in connection with the Programme (as defined below) as amended, supplemented or replaced (the "**Dealership Agreement**") have established a programme for the issuance of debt instruments (the "**Programme**") in connection with which Programme they have entered into an amended and restated issue and paying agency agreement dated on or around the date of this Deed of Guarantee (together and as amended or supplemented from time to time, the "**Agency Agreement**") and have executed and delivered a deed of covenant (as amended or supplemented from time to time the "**Deed of Covenant**") dated on or around the date of this Deed of Guarantee.
- (B) The Guarantor has duly authorised the giving of a guarantee in respect of the debt instruments to be issued under the Programme and the Deed of Covenant.
- (C) This Deed of Guarantee does not affect any Instruments issued prior to the date of this Deed of Guarantee or any Instrument issued on or after the date of this Deed of Guarantee to be consolidated and form a single series with the Instruments of any series issued prior to the date of this Deed of Guarantee and, in respect of such Instruments, the deed of guarantee dated 31 May 2016 as amended and restated (the "**Original Deed of Guarantee**") shall continue in full force and effect.
- (D) Notwithstanding any provision to the contrary contained in the Original Deed of Guarantee but subject as provided herein, any Instrument issued on or after the date of this Deed of Guarantee shall be issued pursuant to this Deed of Guarantee.

THIS DEED OF GUARANTEE WITNESSES as follows:

1. APPLICATION AND INTERPRETATION

1.1 Application

This Deed of Guarantee does not affect any Instruments issued prior to the date of this Deed of Guarantee or any Instrument issued on or after the date of this Deed of

Guarantee to be consolidated and form a single series with the Instruments of any series issued prior to the date of this Deed of Guarantee and, in respect of such Instruments, the Original Deed of Guarantee shall continue in full force and effect.

Notwithstanding any provision to the contrary contained in the Original Deed of Guarantee but subject as provided herein, any Instruments issued under the Programme on or after the date hereof shall be issued pursuant to, and have the benefit of, this Deed of Guarantee but shall not have the benefit of any subsequent guarantee relating to the Programme (unless expressly so provided in any such subsequent guarantee).

1.2 Interpretation

In this Deed of Guarantee:

"Accountholder" means any Accountholder defined as such in the Deed of Covenant;

"Conditions" means the terms and conditions of the relevant Instruments and any reference to a numbered **"Condition"** is to the correspondingly numbered provision of such terms and conditions;

"Holder" in relation to any Instrument means, at any time, the person who is the bearer or registered holder (as the case may be) of such Instrument; and

"Instrument" means any debt instrument from time to time issued by an Issuer under the Programme.

1.3 Clause headings are for ease of reference only.

1.4 Terms not otherwise defined herein shall bear the meanings assigned to them in the Conditions applicable to the Instruments.

2. GUARANTEE AND INDEMNITY

2.1 The Guarantor hereby unconditionally and irrevocably guarantees:

- (A) to each Holder the due and punctual payment of any and every sum or sums of money which each Issuer shall at any time be liable to pay under or pursuant to any Instrument as and when the same shall become due and payable and agrees unconditionally to pay to such Holder, forthwith upon demand by such Holder and in the manner and currency prescribed by the Conditions of such Instrument for payments by such Issuer thereunder, any and every sum or sums of money which such Issuer shall at any time be liable to pay under or pursuant to such Instrument and which such Issuer shall have failed to pay at the time such demand is made; and
- (B) to each Accountholder the due and punctual payment of all amounts due to such Accountholder under the Deed of Covenant as and when the same shall become due and payable and agrees unconditionally to pay to such Accountholder,

forthwith on demand by such Accountholder and in the manner and in the currency prescribed pursuant to the Deed of Covenant for payments by each Issuer thereunder, any and every sum or sums of money which such Issuer shall at any time be liable to pay under or pursuant to the Deed of Covenant and which such Issuer shall have failed to pay at the time demand is made.

- 2.2 As a separate, additional and continuing obligation, the Guarantor unconditionally and irrevocably undertakes to each Holder and each Accountholder that, should any amount referred to in Clause 2.1 not be recoverable from the Guarantor thereunder for any reason whatsoever (including, without limitation, by reason of any Instrument, any provision of any Instrument, the Deed of Covenant or any provision thereof being or becoming void, unenforceable or otherwise invalid under any applicable law) then, notwithstanding that the same may have been known to such Holder or Accountholder, the Guarantor will, as a sole, original and independent obligor, upon first written demand under Clause 2.1, make payment of such amount by way of a full indemnity in such currency and otherwise in such manner as is provided for in the Conditions of Instruments or the Deed of Covenant (as the case may be).

3. NEGATIVE PLEDGE

The Guarantor covenants in favour of each Holder and Accountholder that it will duly perform and comply with the obligations expressed to be undertaken by it in Condition 5 (Negative Pledge).

4. TAXES AND WITHHOLDINGS

All amounts payable in respect of this Deed of Guarantee will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the country of incorporation of the Guarantor and, if different, the country of tax residence of the Guarantor, or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law or by the administration or official interpretation thereof. In that event, the Guarantor will (subject to the exceptions described in Condition 9 (*Taxation*)) pay such additional amounts as may be necessary in order that the net amounts receivable by the Holders and the Accountholders after such withholding or deduction shall equal the respective amounts which would have been receivable in the absence of such withholding or deduction.

5. PRESERVATION OF RIGHTS

- 5.1 The obligations of the Guarantor herein contained shall be deemed to be undertaken as sole or principal debtor.
- 5.2 The obligations of the Guarantor herein contained shall constitute and be continuing obligations notwithstanding any settlement of account or other matters or things whatsoever and, in particular but without limitation, shall not be considered satisfied by any partial or intermediate payment or satisfaction of all or any of an Issuer's obligations

under any Instrument or the Deed of Covenant and shall continue in full force and effect in respect of each Instrument and the Deed of Covenant until final repayment in full of all amounts owing by such Issuer thereunder and total satisfaction of all such Issuer's actual and contingent obligations thereunder.

5.3 Neither the obligations of the Guarantor herein contained nor the rights, powers and remedies conferred upon the Holders, the Accountholders or any of them by this Deed of Guarantee or by law shall be discharged, impaired or otherwise affected by:

- (A) the winding-up or dissolution of any Issuer or analogous proceeding in any jurisdiction or any change in its status, function, control or ownership; or
- (B) any of the obligations of any Issuer under any of the Instruments or the Deed of Covenant being or becoming illegal, invalid or unenforceable in any respect; or
- (C) time or other indulgence being granted or agreed to be granted to any Issuer in respect of its obligations under any of the Instruments or the Deed of Covenant; or
- (D) any amendment to, or any variation, waiver or release of, any obligation of any Issuer under any of the Instruments or the Deed of Covenant; or
- (E) any other act, event or omission which, but for this Clause 5.3, would or might operate to discharge, impair or otherwise affect the obligations of the Guarantor herein contained or any of the rights, powers or remedies conferred upon the Holders, the Accountholders or any of them by this Deed of Guarantee or by law.

5.4 Any settlement or discharge between the Guarantor and the Holders, the Accountholders or any of them shall be conditional upon no payment to the Holders, the Accountholders or any of them by the relevant Issuer or any other person on such Issuer's behalf being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and, in the event of any such payment being so avoided or reduced, the Holders and the Accountholders shall each be entitled to recover the amount by which such payment is so avoided or reduced from the Guarantor subsequently as if such settlement or discharge had not occurred.

5.5 No Holder or Accountholder shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Deed of Guarantee or by law:

- (A) to make any demand of any Issuer, other than (in the case of the Holder of a Bearer Instrument or Coupon) the presentation of the relevant Instrument or Coupon; or
- (B) to take any action or obtain judgment in any court against any Issuer; or
- (C) to make or file any claim or proof in a winding-up or dissolution of any Issuer,

and, save as aforesaid, the Guarantor hereby expressly waives, in respect of each Instrument, presentment, demand and protest and notice of dishonour.

- 5.6 The Guarantor agrees that, so long as any amount is or may be owed by an Issuer under any of the Instruments or the Deed of Covenant or an Issuer is under any actual or contingent obligations thereunder, the Guarantor shall not exercise rights which the Guarantor may at any time have by reason of performance by the Guarantor of its obligations hereunder:

- (A) to be indemnified by such Issuer; and/or
- (B) to claim any contribution from any other guarantor of such Issuer's obligations under the Instruments or the Deed of Covenant; and/or
- (C) to take the benefit (in whole or in part) of any security taken pursuant to, or in connection with, any of the Instruments or the Deed of Covenant issued by such Issuer, by all or any of the persons to whom the benefit of the Guarantor's obligations are given; and/or
- (D) to be subrogated to the rights of any Holder or Accountholder against such Issuer in respect of amounts paid by the Guarantor pursuant to the provisions of this Deed of Guarantee.

- 5.7 The Guarantor undertakes that its obligations hereunder will at all times rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Guarantor, present and future, save only for obligations as may be preferred by mandatory provisions of applicable law.

6. STAMP DUTIES

The Guarantor will promptly pay any stamp duty or other documentary taxes (including any penalties and interest in respect thereof) payable in connection with the execution, delivery, performance and enforcement of this Deed of Guarantee, and will indemnify and hold harmless each Holder and each Accountholder on demand from all liabilities arising from any failure to pay, or delay in paying, such taxes.

7. DEED POLL; BENEFIT OF GUARANTEE

- 7.1 This Deed of Guarantee shall take effect as a Deed Poll for the benefit of the Holders and the Accountholders from time to time and for the time being.
- 7.2 The Guarantor hereby acknowledges and covenants that the obligations binding upon it contained herein are owed to, and shall be for the benefit of, each and every Holder and Accountholder, and that each Holder and each Accountholder shall be entitled severally to enforce the said obligations against the Guarantor.

- 7.3 The Guarantor may not assign or transfer all or any of its rights, benefits and obligations hereunder. Each Holder and Accountholder shall be entitled to assign all or any of its rights and benefits hereunder.

8. PROVISIONS SEVERABLE

Each of the provisions in this Deed of Guarantee shall be severable and distinct from the others and the illegality, invalidity or unenforceability of any one or more provisions under the law of any jurisdiction shall not affect or impair the legality, validity or enforceability of any other provisions in that jurisdiction nor the legality, validity or enforceability of any provisions under the law of any other jurisdiction.

9. NOTICES

Notices to the Guarantor will be deemed to be validly given if delivered at Lakeside Drive, Park Royal, London, London, NW10 7HQ (or at such other address and for such other attention as may have been notified to Holders in accordance with the Conditions of the Instruments). A notice or communication will be deemed received when delivered, provided that any notice or communication which is received outside business hours or on a non business day in London shall be deemed received at the opening of business on the next following business day in London.

10. LAW AND JURISDICTION

- 10.1 This Deed of Guarantee and all non-contractual obligations arising out of or in connection with it shall be governed by English law.
- 10.2 The courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes arising out of or in connection with this Deed of Guarantee (including a dispute relating to the existence, validity or termination of this Deed of Guarantee or any non-contractual obligation arising out of or in connection with this Deed of Guarantee) or the consequences of its nullity (respectively, "**Proceedings**" and "**Disputes**"), and, for such purposes, the Guarantor irrevocably submits to the jurisdiction of such courts. The Guarantor irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and the Guarantor agrees not to claim that any such court is not a convenient or appropriate forum. Nothing contained herein shall affect the right to serve process in any other manner permitted by law.

The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the Holders or the Accountholders to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

This Deed of Guarantee has been duly executed on the date stated at the beginning.

IN WITNESS WHEREOF this Deed of Guarantee has been executed as a deed by the Guarantor and is intended to be and is hereby delivered on the date first above written.

Executed as a deed by)

DIAGEO PLC)

acting by ~~a director~~ in the presence of:)

*deputy company
secretary*

[Redacted signature area]

Director *Authorised signatory*

Witness's signature:

[Redacted witness signature]

Name (print):

[Redacted name]

Occupation:

[Redacted occupation]

Address:

[Redacted address]