

CERTIFIED A TRUE COPY

*Michael S*  
SECRETARY

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION OF  
DIAGEO PENSION TRUST LIMITED

TO BE PASSED IN WRITING

CIRCULATED ON 4 AUGUST 2015

WEDNESDAY



A07

12/08/2015

#139

COMPANIES HOUSE

(COMPANY NUMBER 1024205)

Notice to members

- 1 To signify your agreement to the special resolution set out below, please sign below next to your name, date and return to the Company Secretary
- 2 To be effective, the special resolution set out below must be passed on or before 1 September 2015, being 28 days from the date on which it was circulated

**SPECIAL RESOLUTION**

We, being the holders of the entire issued share capital of the Company, hereby approve the SPECIAL RESOLUTION set out below and consent to it being passed as a written resolution of the Company

(i) THAT THE Company's Articles of Association be hereby amended by deleting all the provisions of the Company's Memorandum of Association which by virtue of section 28 of the Companies Act 2006 are to be treated as provisions of the Company's Articles of Association

(ii) THAT the Articles of Association initialled by the Chairman of the Board of Directors for the purpose of identification be adopted as the Company's Articles of Association in substitution for and to the exclusion of the existing Articles of Association

SIGNED BY	CATEGORY OF SHAREHOLDER	DATE
Charles D Coase <i>Charles D Coase</i>	A ORDINARY SHAREHOLDER	4/8/15
Christopher J Callanan <i>Christopher J Callanan</i>	A ORDINARY SHAREHOLDER	4/8/15
Maria J Hatchman <i>Maria J Hatchman</i>	A ORDINARY SHAREHOLDER	4/8/15
David Heginbottom <i>David Heginbottom</i>	A ORDINARY SHAREHOLDER	4/8/15
Carolyn D Isaacs <i>Carolyn D Isaacs</i>	A ORDINARY SHAREHOLDER	4/8/15
Catherine B James <i>Catherine B James</i>	A ORDINARY SHAREHOLDER	4/8/15
David E Light <i>David E Light</i>	A ORDINARY SHAREHOLDER	4/8/15
James WW McGhee <i>James WW McGhee</i>	A ORDINARY SHAREHOLDER	4/8/15
Elizabeth G Paxton <i>Elizabeth G Paxton</i>	A ORDINARY SHAREHOLDER	4/8/15
Sharon L Fennessy (nee Rolston) <i>Sharon Fennessy</i>	A ORDINARY SHAREHOLDER	4/8/15
Ian C Shaw <i>Ian C Shaw</i>	A ORDINARY SHAREHOLDER	4/8/15
Caroline S Wehrle <i>Caroline S Wehrle</i>	A ORDINARY SHAREHOLDER	4/8/15
PD Tunnacliffe, Secretary on behalf of Diageo plc <i>PD Tunnacliffe</i>	B ORDINARY SHAREHOLDER	4/8/15

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*Thouless*

SECRETARY

No 01024205

*ALC*  
4.8.15

The Companies Act 2006

Company Limited by Shares

## ARTICLES OF ASSOCIATION

adopted by special resolution passed on 4 August 2015

of

## Diageo Pension Trust Limited

(Incorporated on 15 September 1971)

### Linklaters

Linklaters LLP  
One Silk Street  
London EC2Y 8HQ

Telephone (44-20) 7456 2000  
Facsimile (44-20) 7456 2222

The Companies Act 2006

Company Limited by Shares

## **Articles of Association**

adopted by special resolution passed on 4 August 2015

of

**Diageo Pension Trust Limited (the "Trustee Company")**

### **Preliminary**

#### **1 Default Articles not to apply**

Neither the regulations in The Companies (Model Articles) Regulations 2008 nor any other articles or regulations prescribing the form of articles applicable to the Trustee Company under any former enactment relating to companies shall apply to the Trustee Company

#### **2 Objects**

The objects for which the Trustee Company is established are

- 2.1** to act in any capacity for any person, and
- 2.2** without prejudice to 2.1 above, to act as a trustee for the Diageo Pension Scheme, the Diageo Lifestyle Plan and any other pension scheme as directed from time to time by the Principal Employer (together the "Schemes") and to undertake the role of effecting the Schemes in accordance with the trust deeds and other rules from time to time governing the Schemes ("**Scheme Rules**")

### **Part 1**

#### **Interpretation and Limitation of Liability**

#### **3 Defined terms**

##### **3.1** In the Articles, unless the context requires otherwise

"**A Ordinary Shareholders**" means the Directors of the Trustee Company from time to time who are the holders of A Ordinary Shares,

"**A Ordinary Shares**" means those ordinary shares in the capital of the Trustee Company which are in issue on the date of the adoption of these Articles,

"**B Ordinary Shareholder**" means the Principal Employer from time to time of the Diageo Pension Scheme and Diageo Lifestyle Plan, which is the holder of the B Ordinary Shares,

"**B Ordinary Shares**" means those ordinary shares in the capital of the Trustee Company which were allotted by the Directors pursuant to the Articles and which are in issue on the date of the adoption of these Articles,

"**Articles**" means the Trustee Company's articles of association,

**"Associated Company"** has the same meaning as in Section 256 Companies Act 2006,

**"bankruptcy"** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,

**"Board"** means the board of Directors, from time to time,

**"Board Nominated Trustee Director"** means a director of the Trustee Company who is nominated by the Board,

**"Chairman"** has the meaning given in Article 14,

**"Chairman of the Meeting"** has the meaning given in Article 43,

**"Companies Acts"** means the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Trustee Company,

**"Diageo Lifestyle Plan"** means the pension scheme whose current Principal Employer is Diageo plc (company number 00023307) and which is governed by a set of Scheme Rules dated 9 March 2015, as amended from time to time

**"Diageo Pension Scheme"** means the pension scheme whose current Principal Employer is Diageo plc (company registered number 00023307) and which is governed by a set of Scheme Rules dated 9 March 2015, as amended from time to time

**"Director"** means any Principal Employer Nominated Trustee Director or Member Nominated Trustee Director or Board Nominated Trustee Director,

**"document"** includes, unless otherwise specified, any document sent or supplied in electronic form,

**"electronic form"** has the meaning given in Section 1168 of the Companies Act 2006,

**"fully paid"** in relation to a share, means that the nominal value and any premium to be paid to the Trustee Company in respect of that share have been paid to the Trustee Company,

**"hard copy form"** has the meaning given in Section 1168 of the Companies Act 2006,

**"holder"** in relation to shares means the person whose name is entered in the register of members as the holder of the shares,

**"member"** has the meaning given in Article 38,

**"Member Nominated Trustee Director"** means a director of the Trustee Company who is nominated as a result of any arrangements made for nominating member-nominated directors in accordance with Sections 242 and 243 of the Pensions Act 2004,

**"ordinary resolution"** has the meaning given in Section 282 of the Companies Act 2006,

**"paid"** means paid or credited as paid,

**"participate"**, in relation to a Directors' meeting, has the meaning given in Article 12,

**"Pensions Act 2004"** means the Pensions Act 2004, including any statutory modification or re-enactment for the time being in force,

**"Principal Employer"** means Diageo plc (registered company number 00023307),

**"Principal Employer Nominated Trustee Director"** means a director of the Trustee Company who is nominated by the Principal Employer,

**"proxy notice"** has the meaning given in Article 47,

**"Relevant Director"** means any Director or former Director of the Trustee Company or any director or former director of an Associated Company of the Trustee Company,

**"Scheme Rules"** means the trust deed and other rules from time to time governing the Scheme

**"Secretary"** means any person appointed to perform the duties of the secretary of the Trustee Company (including any deputy or assistant secretary) in accordance with Article 28,

**"shares"** means A Ordinary Shares and B Ordinary Shares in the Trustee Company,

**"special resolution"** has the meaning given in Section 283 of the Companies Act 2006,

**"subsidiary"** has the meaning given in Section 1159 of the Companies Act 2006,

**"transmittee"** means a person entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law,

**"Trustee Company"** means Diageo Pension Trust Limited, and

**"writing"** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

- 3.2** Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Trustee Company

#### **4 Liability of members**

The liability of the members is limited to the amount, if any, unpaid on the shares held by them

## **Part 2 Directors**

### **Directors' Powers and Responsibilities**

#### **5 Number of Directors**

The number of Directors shall be not less than three and not more than thirteen. The members can vary the minimum and/or maximum number of Directors by passing an Ordinary Resolution, subject to any limits imposed by legislation

#### **6 Directors' general authority**

Subject to the Articles, the Directors are responsible for the management of the Trustee Company's business, for which purpose they may exercise all the powers of the Trustee Company

## **7 Directors may delegate**

**7.1** Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles

**7.1.1** to such person (who need not be a Director) or committee (comprising any number of persons, who need not be Directors),

**7.1.2** by such means (including by power of attorney),

**7.1.3** to such an extent,

**7.1.4** in relation to such matters or territories, and

**7.1.5** on such terms and conditions,

as they think fit

**7.2** If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated

**7.3** Any reference in these Articles to the exercise of a power or discretion by the Directors shall include a reference to the exercise of a power or discretion by any person or committee to whom it has been delegated

**7.4** The Directors may revoke any delegation in whole or part, or alter its terms and conditions

## **8 Committees**

**8.1** The Directors may make regulations in relation to the procedures of committees or sub-committees to whom their powers or discretions have been delegated or sub-delegated. Subject to any such regulations, the meetings and procedures of any committee or sub-committee shall be governed by the provisions of these Articles regulating the meetings and procedures of Directors

## **Decision-Making by Directors**

## **9 Directors to take decisions collectively**

**9.1** The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken by Directors' written resolution in accordance with Article 10

## **10 Directors' written resolutions**

**10.1** Any Director may propose a written resolution by giving written notice to the other Directors or may request the Secretary (if any) to give such notice

**10.2** A resolution in writing signed by at least 75% of the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held. The resolution is adopted when at least 75% of all the Directors who would have been entitled to vote on such resolution have

**10.2.1** signed one or more copies of it, or

10.2.2 otherwise indicated their agreement to it in writing

- 10.3** A Directors' written resolution is not adopted if the number of Directors who have signed it is less than the quorum for Directors' meetings

## **11 Calling a Directors' meeting**

- 11.1** Any Director may call a Directors' meeting by giving notice of the meeting to the other Directors or by requesting the Secretary (if any) to give such notice

- 11.2** Notice of any Directors' meeting must indicate

11.2.1 its proposed date and time,

11.2.2 where it is to take place, and

11.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

- 11.3** Notice of a Directors' meeting must be given to each Director, but need not be in writing

- 11.4** Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Trustee Company before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

## **12 Participation in Directors' meetings**

- 12.1** Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when

12.1.1 the meeting has been called and takes place in accordance with the Articles, and

12.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting

- 12.2** In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other

- 12.3** If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

## **13 Quorum for Directors' meetings**

- 13.1** At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

- 13.2** The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two, and unless otherwise fixed it is two

- 13.3** The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting

#### **14 Chairing of Directors' meetings**

- 14.1** The Principal Employer Nominated Trustee Director appointed from time to time by a majority of the B Ordinary Shareholders or by a majority of the Directors under Article 19 3 shall be the Chairman. The Chairman's appointment shall be terminated if he ceases to be a Director appointed under Article 19 3
- 14.2** If a majority of the Directors reasonably consider the Chairman to be subject to a conflict of interest, a majority of the Directors shall appoint another Director in his place as Chairman
- 14.3** If no Principal Employer Nominated Trustee Director is appointed by a majority of the B Ordinary Shareholders or by a majority of the Directors under Article 19 3, a majority of the Directors shall appoint another Director as Chairman, until such date as a Principal Employer Nominated Trustee Director is appointed by a majority of the B Ordinary Shareholders or by a majority of the Directors

#### **15 Casting vote**

- 15.1** If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting has a casting vote
- 15.2** But this does not apply if, in accordance with the Articles, the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes

#### **16 Validity of proceedings**

- 16.1** All acts done by any meeting of Directors, or of any committee or sub-committee of the Directors, or by any person acting as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Trustee Company be valid, notwithstanding that there was some defect in the appointment of any Director or any such persons, or that any such persons were disqualified or had vacated office, or were not entitled to vote

#### **17 Record of decisions to be kept**

The Secretary must ensure that the Trustee Company keeps a record, in writing, of every majority decision taken by the Directors and of every Directors' written resolution for at least 10 years from the date of the decision or resolution

#### **18 Directors' discretion to make further rules**

Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors

### **Appointment and retirement of Directors**

#### **19 Methods of appointing Directors**

- 19.1** For so long as the Trustee Company is a trustee of an occupational pension scheme, the power in these Articles shall be exercised in a way which complies with any arrangements made in accordance with sections 242 to 243 of the Pensions Act 2004 (requirement for member nominated directors)



- 19.2** The Member Nominated Trustee Directors shall be nominated and selected in accordance with sections 242 to 243 of the Pensions Act 2004 (requirement for member nominated directors) A majority of the A Ordinary Shareholders or a majority of the Directors shall have the right to appoint the Member Nominated Trustee Directors from those nominated and selected
- 19.3** A majority of the B Ordinary Shareholders or a majority of the Directors shall have the right to appoint the Principal Employer Nominated Trustee Director of the Trustee Company who shall be the Chairman, subject to Article 14
- 19.4**
- 19.5** A majority of the A Ordinary Shareholders or a majority of the Directors shall have the right to appoint the remaining Directors who shall be Board Nominated Trustee Directors
- 19.6** The Directors shall not be subject to retirement by rotation

## **20 Disqualification and removal of Directors**

- 20.1** The office of Principal Employer Nominated Trustee Director or Board Nominated Trustee Director shall be vacated if
- 20.1.1** by notice in writing to the Trustee Company that person resigns his office of Director,
  - 20.1.2** that person is absent from the meetings of the Board for more than six months without permission and the Directors have resolved that that person should cease to be a Director,
  - 20.1.3** a bankruptcy order is made against that person,
  - 20.1.4** a composition is made with that person's creditors generally in satisfaction of that person's debts,
  - 20.1.5** that person is prohibited from being a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
  - 20.1.6** a registered medical practitioner who is treating that person gives a written opinion to the Trustee Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
  - 20.1.7** by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
  - 20.1.8** in the case of a Board Nominated Trustee Director that person is removed from office if a majority of the A Ordinary Shareholders or a majority of the Directors serve a notice on both the relevant Board Nominated Trustee Director and on the Trustee Company removing such Board Nominated Trustee Director from office,
  - 20.1.9** in the case of the Principal Employer Nominated Trustee Director that person is removed from office if a majority of the B Ordinary Shareholders or a majority of the Directors serve a notice on both the Principal Employer Nominated Trustee Director and on the Trustee Company removing such Principal Employer Nominated Trustee Director from office, or
  - 20.1.10** that person is disqualified under the Pensions Act 1995

**20.2** The office of a Member Nominated Trustee Director shall be vacated if

- 20.2.1 by notice in writing to the Trustee Company that person resigns his office as a Member Nominated Trustee Director,
- 20.2.2 that person is absent from the meetings of the Board for more than six months without permission and the Directors have resolved that that person should cease to be a Director,
- 20.2.3 a bankruptcy order is made against that person,
- 20.2.4 a composition is made with that person's creditors generally in satisfaction of that person's debts,
- 20.2.5 that person is prohibited from being a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- 20.2.6 a registered medical practitioner who is treating that person gives a written opinion to the Trustee Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- 20.2.7 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- 20.2.8 that person is removed from office if a majority of the A Ordinary Shareholders or a majority of the Directors serve a notice on both the relevant Member Nominated Trustee Director and on the Trustee Company removing such Member Nominated Trustee Director from office, provided that all the Directors agree with such removal, in accordance with the Pensions Act 2004,
- 20.2.9 that person's fixed term of office has expired,
- 20.2.10 if that person is required to cease to be a Director under any arrangements made in accordance with Sections 242 to 243 of the Pensions Act 2004, or
- 20.2.11 that person is disqualified under the Pensions Act 1995

**21 Directors' remuneration**

- 21.1 Directors may undertake any services for the Trustee Company that the Directors decide
- 21.2 Directors are entitled to such remuneration as the Directors determine
  - 21.2.1 for their services to the Trustee Company as Directors, and
  - 21.2.2 for any other service which they undertake for the Trustee Company
- 21.3 Subject to the Articles, a Director's remuneration may
  - 21.3.1 take any form, and
  - 21.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director
- 21.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day

- 21.5** Any Director who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may receive such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Principal Employer may determine

**22 Directors' expenses**

- 22.1** The Directors may be paid such travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings or otherwise in connection with the discharge of their duties as the Principal Employer may determine

**Directors' Interests**

**23 Authorisation of Directors' interests**

- 23.1** For the purposes of Section 175 of the Companies Act 2006, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Trustee Company

- 23.2** Authorisation of a matter under this Article 23 shall be effective only if

**23 2 1** the matter in question shall have been proposed for consideration at a meeting of the Directors, in accordance with the usual procedures for such meetings or in such other manner as the Directors may resolve,

**23 2 2** any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"), and

**23 2 3** the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted

- 23.3** Any authorisation of a matter under this Article may

**23 3 1** extend to any actual or potential conflict of interest which may arise out of the matter so authorised,

**23 3 2** be subject to such conditions or limitations as the Directors may resolve, whether at the time such authorisation is given or subsequently, and

**23 3 3** be terminated by the Directors at any time,

and a Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation

- 23.4** A Director shall not, save as otherwise agreed by him, be accountable to the Trustee Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under this Article 23 and any contract, transaction or arrangement relating to such a matter shall not be liable to be avoided on the grounds of any such benefit

## **24 Permitted Interests**

**24.1** Subject to compliance with Article 24 2, a Director, notwithstanding his office, may have an interest of the following kind

**24 1 1** where a Director (or a person connected with him) is a director or other officer of, or employed by, or otherwise interested (including by the holding of shares) in any Relevant Company,

**24 1 2** where a Director (or a person connected with him) is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company, or in which the Trustee Company is otherwise interested,

**24 1 3** where a Director has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest,

**24 1 4** where a Director has an interest, or a transaction or arrangement gives rise to an interest, of which the Director is not aware, or

**24 1 5** where a Director has any other interest authorised by ordinary resolution

No authorisation under Article 23 shall be necessary in respect of any such interest

**24.2** A Director shall declare the nature and extent of any interest permitted under Article 24 1 and not falling with Article 24 3, at a meeting of the Directors or in such other manner as the Directors may resolve

**24.3** No declaration of an interest shall be required by a Director in relation to an interest

**24 3 1** falling within Article 24 1 1 or 24 1 3,

**24 3 2** if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or

**24 3 3** if, or to the extent that, it concerns the terms of his service contract (as defined in Section 227 of the Companies Act 2006) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles

**24.4** A Director shall not, save as otherwise agreed by him, be accountable to the Trustee Company for any benefit which he (or a person connected with him) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any Relevant Company or for such remuneration, each as referred to in Article 24 1, and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit

**24.5** For the purposes of this Article 24, "**Relevant Company**" shall mean

**24 5 1** the Trustee Company,

**24 5 2** a subsidiary of the Trustee Company,

**24 5 3** any holding company of the Trustee Company or a subsidiary of any such holding company,

24.5.4 any body corporate promoted by the Trustee Company, or

24.5.5 any body corporate in which the Trustee Company is otherwise interested

## **25 Quorum and voting**

**25.1** A Director shall not be entitled to vote on any resolution in respect of any contract, transaction or arrangement, or any other proposal, in which he (or a person connected with him) has an interest, unless the interest is solely of a kind permitted by Article 24.1

**25.2** A Director shall not be counted in the quorum at a meeting of the Directors in relation to any resolution on which he is not entitled to vote

## **26 Confidential information**

**26.1** Subject to Article 26.2, if a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Trustee Company, he shall not be required

26.1.1 to disclose such information to the Trustee Company or to the Directors, or to any Director, officer or employee of the Trustee Company, or

26.1.2 otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director

**26.2** Where such duty of confidentiality arises out of a situation in which the Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Trustee Company, Article 26.1 shall apply only if the conflict arises out of a matter which has been authorised under Article 23 or falls within Article 24

**26.3** This Article 26 is without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 26

## **27 Directors' interests - general**

**27.1** For the purposes of Articles 23 to 27

27.1.1 a person is connected with a Director if that person is connected for the purposes of Section 252 of the Companies Act 2006, and

27.1.2 an interest (whether of the Director or of such a connected person) of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his

**27.2** Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may, and shall if so requested by the Directors, take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation

- 27.2.1 absenting himself from any meetings of the Directors at which the relevant situation or matter falls to be considered, and
- 27.2.2 not reviewing documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information
- 27.3 The Trustee Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of Articles 23 to 27

### **Secretary**

#### **28 Secretary**

The Trustee Company shall have a Secretary who shall be appointed on such terms as the Directors think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Trustee Company.

### **Part 3 Shares**

#### **29 Share capital**

- 29.1 At the date of adoption of these Articles, the share capital of the Trustee Company is 90 A Ordinary shares of £1 each and 110 B Ordinary shares of £1 each
- 29.2 The holders of the A Ordinary shares shall be the Directors of the Trustee Company, in such proportion as they shall decide from time to time
- 29.3 The holder of the B Ordinary shares shall be the Principal Employer

#### **30 All shares to be fully paid up**

- 30.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Trustee Company in consideration for its issue
- 30.2 This does not apply to shares taken on the formation of the Trustee Company by the subscribers to the Trustee Company's memorandum

#### **31 Pre-emption rights**

The Directors may allot equity securities as if Section 561 of the Companies Act 2006 (Existing members' rights of pre-emption) did not apply to the allotment

#### **32 Share certificates**

- 32.1 The Trustee Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds

**32.2 Every certificate must specify**

**32.2.1** the number and class of shares to which it relates,

**32.2.2** the nominal value of those shares,

**32.2.3** that the shares are fully paid, and

**32.2.4** any distinguishing numbers assigned to them

**32.3 No certificate may be issued in respect of shares of more than one class**

**32.4 If more than one person holds a share, only one certificate may be issued in respect of it**

**32.5 Certificates must**

**32.5.1** have affixed to them the Trustee Company's common seal, or

**32.5.2** be otherwise executed in accordance with the Companies Acts

**33 Replacement share certificates**

**33.1 A shareholder who has separate certificates in respect of shares of one class may request in writing that it be replaced with a consolidated certificate. The Trustee Company may comply with such request at its discretion**

**33.2 A shareholder who has a consolidated share certificate may request in writing that it be replaced with two or more separate certificates representing the shares in such proportions as he may specify. The Trustee Company may comply with such request at its discretion**

**33.3 If a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, the member shall be issued a new certificate representing the same shares upon request**

**33.4 No new certificate will be issued pursuant to this Article 33 unless the relevant shareholder has**

**33.4.1** first delivered the old certificate or certificates to the Trustee Company for cancellation, or

**33.4.2** complied with such conditions as to evidence and indemnity as the Directors may think fit, and

**33.4.3** paid such reasonable fee as the Directors may decide

**33.5 In the case of shares held jointly by several persons, any request pursuant to this Article 33 may be made by any one of the joint holders**

**34 Share transfers**

**34.1 Shares may be transferred by means of an instrument of transfer executed by or on behalf of the transferor. Such instrument of transfer must be in hard copy form but may otherwise be in any usual form or any other form approved by the Directors**

**34.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share**

**34.3 The Trustee Company may retain any instrument of transfer which is registered**

**34.4** The transferor remains the holder of the shares concerned until the transferee's name is entered in the register of members in respect of those shares

**34.5** The Directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of the refusal unless they suspect that the proposed transfer may be fraudulent

### **35 Transmission of shares**

**35.1** If title to a share passes to a transmittee, the Trustee Company may only recognise the transmittee as having any title to that share

**35.2** A transmittee who produces such evidence of entitlement to shares as the Directors may reasonably require

**35.21** may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person, and

**35.22** subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had

**35.3** A transmittee does not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which it is entitled, by reason of the holder's death or bankruptcy or otherwise, unless it becomes the holder of those shares

### **36 Exercise of transmittees' rights**

**36.1** A transmittee who wishes to become the holder of shares to which it has become entitled must notify the Trustee Company in writing of that wish

**36.2** If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in hard copy form in respect of it

**36.3** Any transfer made or executed under this Article 36 is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred

### **37 Transmittees bound by prior notices**

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register of members

## **Part 4 Members and membership**

### **38 Members**

**38.1** The members of the Trustee Company shall be such persons as the Directors may from time to time resolve to admit to membership

**38.2** Any person who ceases (by resignation or otherwise) to be a member shall nevertheless remain liable to pay all sums due to the Trustee Company at the date of ceasing to be a



member and neither he nor his personal representatives shall have any claim upon or interest in the funds or property of the Trustee Company

- 38.3** Any member may by notice to the Secretary (or, if the Directors have not appointed a Secretary, to the Directors) resign his/her membership. In such circumstances, membership shall terminate when the notice of cessation is recorded in the Register of Members, which shall be no later than seven days after the Secretary (or, if the Directors have not appointed a Secretary, the Directors) receives such notice.

## **39 General meetings**

- 39.1** The Trustee Company shall hold a general meeting either when required by law or if the Directors resolve. The general meeting shall be held at such time and place as the Directors decide.

## **40 Notice of general meetings**

- 40.1** General meetings shall be called by at least 14 days' notice but a general meeting may be called by shorter notice if agreed by a majority of the members having a right to attend and vote (being a majority who together represent not less than 90% of the total voting rights of the Trustee Company).
- 40.2** The notice shall be given to all the members, and shall specify the time and place of the meeting and the general nature of the business transacted.

## **41 Quorum for general meetings**

- 41.1** No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 41.2** Two members present in person or by proxy will be a quorum at any general meeting.

## **42 Attendance and speaking at general meetings**

- 42.1** A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 42.2** A person is able to exercise the right to vote at a general meeting when
- 42.2.1** that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - 42.2.2** that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 42.3** The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 42.4** In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

- 42.5** Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

### **43 Chairing general meetings**

- 43.1** If a majority of the B Ordinary Shareholders or a majority of the Directors have appointed a Chairman in accordance with Article 14, the Chairman shall chair general meetings if present and willing to do so

- 43.2** If a majority of the B Ordinary Shareholders or a majority of the Directors have not appointed a Chairman in accordance with Article 14, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start

**43.2.1** the Directors present, or

**43.2.2** (if no Directors are present), the meeting,

must appoint a Director or member to chair the meeting, and such appointment must be the first business of the meeting

- 43.3** The person chairing a meeting in accordance with this Article 43 is referred to as the **"Chairman of the Meeting"**

### **44 Adjournment**

- 44.1** If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it

- 44.2** The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if

**44.2.1** the meeting consents to an adjournment, or

**44.2.2** the Chairman of the Meeting considers that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner

- 44.3** The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting

- 44.4** When adjourning a general meeting, the Chairman of the Meeting must specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors

- 44.5** If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Trustee Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)

**44.5.1** to the same persons to whom notice of the Trustee Company's general meetings is required to be given, and

**44.5.2** containing the same information which such notice is required to contain

- 44.6** No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

### **Voting at General Meetings**

#### **45 Voting: general**

- 45.1** A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles

#### **46 Poll votes**

- 46.1** A poll on a resolution may be demanded

**46.1.1** in advance of the general meeting where it is to be put to the vote, or

**46.1.2** at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

- 46.2** A poll may be demanded by

**46.2.1** the Chairman of the Meeting,

**46.2.2** the Directors,

**46.2.3** two or more persons having the right to vote on the resolution, or

**46.2.4** a person or persons representing not less than 10% of the total voting rights of all the members having the right to vote on the resolution

- 46.3** A demand for a poll may be withdrawn if

**46.3.1** the poll has not yet been taken, and

**46.3.2** the Chairman of the Meeting consents to the withdrawal

- 46.4** Polls must be taken immediately and in such manner as the Chairman of the Meeting directs

#### **47 Content of proxy notices**

- 47.1** Proxies may only validly be appointed by a notice in writing (a "proxy notice") which

**47.1.1** states the name and address of the member appointing the proxy,

**47.1.2** identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,

**47.1.3** is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Directors may determine, and

**47.1.4** is delivered to the Trustee Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate

- 47.2** The Trustee Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

- 47.3** Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

## **48 Delivery of proxy notices**

- 48.1** Proxy notices in hard copy form must be received at such place and by such deadline specified in the notice convening the meeting. If no place is specified, then the proxy notice must be received at the registered office of the Trustee Company for the time being. If no deadline is specified, proxy notices must be received, before the start of the meeting or adjourned meeting or, if a poll is taken otherwise than at or on the same day as the meeting or adjourned meeting, at the time for the taking of the poll at which it is to be used.
- 48.2** A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Trustee Company by or on behalf of that person.
- 48.3** An appointment under a proxy notice may be revoked by delivering to the Trustee Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 48.4** A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 48.5** If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.
- 48.6** Any vote cast or poll demanded by a proxy shall not be invalidated by the previous death or insanity of the member or by the revocation or termination of the appointment of the proxy or of the authority under which the appointment was made unless notice of such death, insanity, revocation or termination was received in writing at the place specified in the notice of meeting for the receipt of proxy notices (or, if no place is specified, the registered office for the time being) before the start of the meeting or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll.

## **49 Amendments to resolutions**

- 49.1** An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
- 49.1.1** notice of the proposed amendment is given to the Trustee Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine), and
  - 49.1.2** the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.
- 49.2** A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
- 49.2.1** the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 49.2.2** the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

- 49.3** If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman of the Meeting's error does not invalidate the vote on that resolution

## **Part 5**

### **Administrative Arrangements**

#### **50 Means of communication to be used**

- 50.1** Subject to the Articles, anything sent or supplied by or to the Trustee Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Trustee Company

- 50.2** Any notice, document or information (including a share certificate) which is sent or supplied by the Trustee Company in hard copy form, or in electronic form but to be delivered other than by electronic means, which is

**50.2.1** sent by hand and properly addressed shall be deemed to have been received by the intended recipient on the day of delivery,

**50.2.2** sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of 24 hours (or, where first class mail is not employed, 48 hours) after the time it was posted,

and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed and, in the case of post, pre-paid and posted

- 50.3** Any notice, document or information which is sent or supplied by the Trustee Company by electronic means shall be deemed to have been received by the intended recipient 24 hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed

- 50.4** The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding

- 50.5** Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being

- 50.6** A Director may agree with the Trustee Company that notices, documents or information sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than that provided in this Article 50

#### **51 Accounts**

The Directors shall prepare accounts and reports when they are required to do so by law

## **52 Bank mandates**

The Directors may by majority decision or written resolution authorise such person or persons as they think fit to act as signatories to any bank account of the Trustee Company and may amend or remove such authorisation from time to time by resolution

## **53 Authentication of documents**

**53.1** Any Director or the Secretary (if any) or any person appointed by the Directors for the purpose shall have power to authenticate

**53.1.1** any document affecting the constitution of the Trustee Company,

**53.1.2** any resolution passed at a general meeting or at a meeting of the Directors or any committee, and

**53.1.3** any book, record, document or account relating to the business of the Trustee Company,

and to certify copies or extracts as true copies or extracts

**53.2** A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified shall be conclusive evidence in favour of all persons dealing with the Trustee Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting

## **54 The Seal**

**54.1** The seal shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director

**54.2** Unless otherwise decided by the Directors, if the Trustee Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature

**54.3** For the purposes of this Article 54, an authorised person is

**54.3.1** any Director of the Trustee Company,

**54.3.2** the Secretary (if any), or

**54.3.3** any person authorised by the Directors for the purpose of signing documents to which the common seal is applied

**54.4** The Trustee Company may exercise all powers conferred by the Companies Act 2006 with regard to having an official seal for use abroad and such powers shall be vested in the Directors

**54.5** Any document signed by a Director and the Secretary, or by two Directors, or by a Director in the presence of a witness who attests the signature, and described as entered into by the Trustee Company shall have the same effect as if it had been made effective by using the Seal

## **Directors' Liabilities**

### **55 Indemnity**

**55.1** Subject to paragraph 55.2, and without prejudice to the indemnity and insurance provisions in the Diageo Pension Scheme's and Diageo Lifestyle Plan's Scheme Rules, a Relevant Director may be indemnified out of the Trustee Company's assets against

**55.1.1** any liability incurred by or attaching to that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Trustee Company or an Associated Company,

**55.1.2** any liability incurred by or attaching to that Director in connection with the activities of the Trustee Company or an Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in Section 235(6) of the Companies Act 2006),

**55.1.3** any other liability incurred by or attaching to that Director as an officer of the Trustee Company or an Associated Company

**55.2** This Article 55 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

**55.3** Where a Relevant Director is indemnified against any liability in accordance with this Article, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto

### **56 Insurance**

**56.1** Without prejudice to the insurance provisions in the Diageo Pension Scheme's and Diageo Lifestyle Plan's Scheme Rules, the Directors shall have the power to purchase and maintain insurance, at the expense of the Trustee Company, for the benefit of any Relevant Director in respect of any relevant loss

**56.2** In this Article 56, a "**relevant loss**" means any loss or liability which has been or may be incurred by a Relevant Director in connection with that Director's duties or powers in relation to the Trustee Company, any Associated Company or any pension fund or employees' share scheme of the Trustee Company or Associated Company

### **57 Defence expenditure**

**57.1** So far as may be permitted by the Companies Acts, the Trustee Company may

**57.1.1** provide a Relevant Director with funds to meet expenditure incurred or to be incurred by him in

(i) defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Trustee Company or an Associated Company, or

(ii) in connection with any application for relief under the provisions mentioned in Section 205(5) of the Companies Act 2006, and

57.1.2 do anything to enable any such Relevant Director to avoid incurring such expenditure

**57.2** The terms set out in Section 205(2) of the Companies Act 2006 shall apply to any provision of funds or other things done under Article 57.1

**57.3** So far as may be permitted by the Companies Acts, the Trustee Company

57.3.1 shall provide a Relevant Director with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Trustee Company or any Associated Company, and

57.3.2 may do anything to enable any such Relevant Director to avoid incurring such expenditure

## **58 Winding up**

If the Trustee Company is wound up in accordance with the legislation (whether the liquidation is voluntary, under supervision of the Court or by the Court) the liquidator may, with the authority of an Ordinary Resolution of the Trustee Company, divide amongst the members all or any part of the assets of the Trustee Company. For this purpose the liquidator can set such value as he or she thinks fair on any property and can decide how the division is carried out as between the members or different classes of members. The liquidator can also, with the authority of an Ordinary Resolution, transfer all or any part of the assets to trustees upon such trusts for the benefit of the members as the liquidator decides. The liquidation of the Trustee Company can then be closed and the Trustee Company dissolved. No member can be compelled to accept shares or other securities which carry any liability.