

## Promoting positive drinking

Our brands have been part of people’s celebrations for generations. We make them with pride, and we want them to be enjoyed responsibly. That means our goal is for people to drink better, not more – an approach that both supports our social values, and aligns with our commercial interests as a business making premium drinks. We are committed to promoting moderation, tackling misuse, and improving laws and standards, while respecting the fact that many people choose not to drink alcohol at all.



### Our work contributes to the following UN Sustainable Development Goals:



We are proud of the heritage, authenticity and taste of our brands. We are also proud that millions of people around the world enjoy our brands responsibly as part of a balanced lifestyle. At the same time we know that harmful drinking causes significant issues for individuals and for society. Everyone at Diageo recognises the importance of promoting positive drinking, encouraging moderation and tackling the misuse of alcohol. If we do not, we damage our reputation and make it harder to create value. That is why we focus on quality, while also promoting moderation. We want people to ‘drink better, not more’, which makes commercial sense as consumers choose to trade up to higher-quality, better-tasting drinks.

### Promoting moderation, reducing harm and improving standards

We have long supported the World Health Organization’s (WHO) goal of reducing harmful drinking by 10% across the world by 2025. We work with partners from within and beyond our industry on initiatives that advance that goal. We have also taken a clear stand on key issues – we were the first to put nutritional information and alcohol content onto our labels – while supporting a range of programmes around the world that aim to reduce harm and change behaviour.

Globally, we have focused our efforts on three core pillars – promoting moderation, campaigning to reduce harmful drinking, and improving laws and industry standards – and we have set ourselves stretching targets to reach by 2025.

“The private sector is a key partner in implementing measures that improve road safety. The United Nations Institute for Training and Research (UNITAR) and Diageo joined forces to launch a capacity-building initiative with a special focus on countries with the highest death rates related to road traffic. Between 2017 and 2018, the initiative reached 1,896 officials from national and local governments from 38 countries, as well as representatives from the private sector, academia and NGOs.”

#### Nikhil Seth

United Nations Assistant Secretary-General and Executive Director, UNITAR

## Our targets for 2025

### EDUCATE

**5m**

young people, parents and teachers about the dangers of underage drinking

### COLLECT

**50m**

pledges never to drink and drive through #JoinThePact

### REACH

**200m**

people with moderation messages from our brands

### PROGRESS TO DATE

**632,000**

**16.88m**

**66.02m**

## HOW WE WILL ACHIEVE OUR TARGETS

### PILLAR 1 Promoting moderation

For most people who drink alcohol, drinking responsibly is common sense. We want to reinforce that understanding of moderation in everything we do.

#### Brand action

We are using our brands to carry a strong moderation message and combat heavy episodic drinking (see spotlight on page 47).

#### Providing information to consumers

DRINKIQ.com, our dedicated responsible drinking website, is available in 25 languages and 38 countries. It gives consumers access to a wide range of training and resources on the effects of drinking.

Labels and packaging also help us reach consumers, and our Diageo Consumer Information Standards provide benchmarks for the mandatory minimum information to be included on labels and packaging on all our brands, wherever they are legally permitted.

### PILLAR 2 Campaigning to reduce harmful drinking

We focus resources on global programmes that address our priorities for reducing harmful drinking in line with the WHO's goal.

#### Preventing drink driving

Our global #JoinThePact programme aims to encourage 50 million people to never drink and drive through signing a global pact.

Partnerships with police, local authorities and other agencies support enforcement, provide education for drivers and law enforcers, and support safe rides and public transportation.

A new three-year partnership with UNITAR focuses on high-visibility enforcement in Latin America, Asia and Africa, all identified as high-risk regions.

#### Addressing underage drinking

Our flagship theatre-based 'Smashed' education programme informs young people about the dangers of underage drinking.

Our 'Ask, Listen, and Learn' programme in the Caribbean, developed and delivered by the Foundation for Advancing Alcohol Responsibility (FAAR), has been introduced to over 20,000 schools.

Our underage programmes have reached more than 632,000 people in the last two years across 20 countries.

#### Tackling heavy episodic (or binge) drinking

Brand campaigns and night-time economy city demonstration pilots work with a coalition of partners to reduce alcohol-related problems in entertainment districts. We adopted this approach in Toronto, Dublin and Cancún in 2019.

#### Industry collaboration

We worked with our peers to implement the Global Beer, Wine and Spirits Producers' Commitments to reduce harmful drinking from 2013. A final progress report was issued in September 2018 and can be found at [www.producerscommitments.org](http://www.producerscommitments.org).

### PILLAR 3 Improving laws and industry standards

We comply with all laws and regulations wherever we operate, as a minimum requirement. We advocate sensible new regulation based on evidence, including legal purchase age laws and blood-alcohol volume driving limits in countries where these do not exist.

#### Support for the global focus on reducing the harmful use of alcohol

Our Chief Executive is Chairman of the CEO group at the International Alliance for Responsible Drinking (IARD).

As an IARD member, we are committed to delivering positive change, and we are fully aligned with the whole-of-society approach to addressing non-communicable diseases (NCDs), as outlined in the 2018 UN Political Declaration on NCDs.

**Responsible marketing**

The Diageo Marketing Code (DMC) and Digital Code are our mandatory minimum standards for responsible marketing, and we review them every two years to ensure they represent best practice. We published an updated DMC in July 2019, shortly after the financial year 2019 covered by this Annual Report.

The DMC supports our approach to innovative marketing and the entrepreneurial spirit of our marketers, while at the same time ensuring we stay true to our core values and market responsibly. At the heart of the DMC is our commitment to ensuring all our activities depict and encourage only responsible and moderate drinking, and never target those who are younger than the legal purchase age for alcohol.

Across many of our markets, advertising monitoring and industry bodies publicly report breaches of self-regulatory alcohol marketing codes. We report these in our Annual Report.

This year, a complaint was upheld by Australia’s ABAC Responsible Alcohol Marketing Scheme about an advertisement for Johnnie Walker on the digital TV channel 9Now in November 2018.

The advert appeared during a programme showing the Adelaide Christmas Pageant, and the grounds of the complaint were that this was a children’s programme. While data on viewing of the programme in previous years showed that it was reasonable to expect 75% or more of viewers to be over 18, the ABAC adjudication panel reviewed the programme and concluded that it was primarily focused

on families and children. The panel noted that Diageo did not make a specific marketing decision to target the broadcast of the Pageant, but upheld the complaint with the advice that Diageo should take more care in ensuring the ABAC placement rules are satisfied. We have since worked with all free-to-air broadcast partners to implement further content categorisation, and the broadcasters have created a new ‘family’ category of content.

**Complaints about advertising upheld by industry bodies that report publicly<sup>(i)</sup>**

Country	Body	Industry complaints upheld	Complaints upheld about Diageo brands
Australia	ABAC Scheme	16	1
Ireland	Advertising Standards Authority – for Ireland (ASAI)	1	0
United Kingdom	The Portman Group	11	0
	Advertising Standards Authority (ASA)	4	0
United States	Distilled Spirits Council of the United States (DISCUS)	1	0

(i) From 1 July 2018 to 30 June 2019.

**SPOTLIGHT**

**Sometimes less is more: Guinness Clear**

Made to a time-honoured recipe, 100% H<sub>2</sub>O, and available from all good taps, nationwide: Guinness Clear.

Our Guinness Clear initiative took a fresh approach to an important issue – raising awareness of the effects alcohol has on the body and encouraging moderate drinking. It brought together some of the most famous names in sport to highlight the importance of staying hydrated and in control – and it was a core pillar of one of our biggest and most exciting campaigns of 2019.

As title sponsor of the Guinness Six Nations Rugby Championship, and Official Sponsor of the Women’s Six Nations Championship, we knew we had a platform to reach the millions of people engaged by Europe’s premier international rugby tournaments.



We used a significant proportion of our marketing investment to encourage adult fans to drink responsibly. Launched with a 30-second television ad that went on to win a Gold award at the Cannes Lions festival, Guinness Clear had a prominent presence at stadiums, including through teams giving water to fans. It reached over 21 million people in the UK and Ireland.

The campaign was a perfect example of our approach. Put simply, we do not see marketing campaigns and responsible drinking campaigns as two separate channels. We invest significant time and money in training our marketers so that all our campaigns deliver responsible drinking messages – because we believe it is both socially and commercially essential for consumers to ‘drink better, not more’.