

UNDERAGE DRINKING

Diageo does not want anyone under the legal drinking age to consume our brands. We share the concerns of many people about underage drinking, and have a long track record of supporting policies and programmes that aim to prevent and reduce underage consumption.

THE ISSUE

Diageo believes that alcohol beverages should be consumed only by adults. However, concerns about underage drinking sometimes prompt calls for more stringent controls on all alcohol consumption to protect younger people. These measures often penalise responsible adult drinkers without necessarily addressing the real problem.

DIAGEO'S POSITION

We believe that we can only tackle underage drinking as a society through the joint efforts of parents, schools and educators, governments, the alcohol industry, law enforcement and the hospitality industry. In particular, Diageo's efforts have focused on policies and programmes that target underage

drinkers and adult influencers because they have been proven to work, such as education, supporting enforcement of legal purchase age laws and restricting young people's access to alcohol.

Scientific studies show that parents have a particularly important role to play in setting family rules about alcohol and giving guidance to their children as they grow up, as well as being good role models for responsible drinking behaviour.

Diageo supports the following policies to prevent underage drinking:

- Governments should set a legal purchase age (LPA) of no less than 18. This age limit should apply to all alcohol beverages, whether beer, wine or spirits. In some cases governments set higher purchase ages for spirits by comparison with beer or wine, which is confusing for consumers and conveys the misleading message that spirits are intrinsically different from, or more harmful, than beer or wine.
- We endorse upholding minimum legal purchase age laws through efforts, such as:
 - Training staff/servers to identify and deny service to underage who attempt alcohol purchases
 - Prominently displaying age restriction policies
 - Where government-issued identification (ID) cards are commonly used by the population, requiring ID for anyone appearing underage
 - Where government-issued identification cards are commonly used by the population, administering regular retailer compliance checks, for example using "mystery shoppers"
- For online sales and delivery services:
 - Requiring website purchasers to enter their birth date - including month, date, and year - prior to making a purchase, and where relevant, country of residence
 - Asking the purchaser to show proof of age upon delivery
- Importantly, governments should ensure that such laws are rigorously enforced and in particular that tough penalties should apply to those who sell or supply alcohol to people who are underage.
- Alcohol awareness education should be mandatory in schools.

HOW WE SUPPORT OUR POSITION

Programmes

Diageo has a long track record of working in partnership with other stakeholders in the community to provide education to young people and adult influencers to help prevent and reduce underage drinking. These programmes range from school-based curricula to parental guides to life skills education.

The following are examples of education programmes Diageo supports to reduce underage drinking:

- “Smashed,” a programme developed in the UK, is built around a live theatre experience targeting the emotional patterns that form a young person’s attitude toward alcohol. “Smashed” warns of the dangers of underage drinking both in live event and post-event resources. Since its inception in 2004, the programme has won good practice awards, has been recognised by governments and NGOs, and is now reaching young people in the Latin America, Africa, and Asia
- A good example of industry collaboration to reduce underage drinking is the Caribbean programme “Ask, Listen, Learn.” US based Social Aspects Organisation, the Foundation for Advancing Alcohol Responsibility (FAAR), and the Regional Beverage Alcohol Alliance aims to educate children about the importance of resisting peer pressure and adopting a healthy lifestyle. FAAR enlisted the help of Classroom Champions, a nonprofit organisation that used Olympic athletes to mentor and guide students in character education skills such as goal setting, perseverance, and overcoming setbacks. “Ask, Listen, Learn” has expanded its reach beyond the Caribbean and is now available in schools in Africa as well.

Enforcement

We support numerous age verification programmes around the world to help retailers enforce the LPA. These usually involve training for sellers and servers of alcohol, providing point-of-sale information to alert potential underage purchasers that they will be asked for identification, and mystery shopper follow-ups to check compliance.

The following are examples of enforcement programmes Diageo supports to reduce underage drinking:

- In Colombia, Diageo along with other members of the industry, continue their efforts to enlist the support of retailers to prevent underage drinking. The project “Alianza +18,” trained thousands of retail staff to implement age-verification measures, supported by communication material near cash desks and specially designed software to remind staff to check ID
- In countries where governments have yet to set a LPA, Diageo in collaboration with industry members, trade associations and other stakeholders work to demonstrate the benefits of an LPA. For example, in 2014 as a result of our collective efforts, the Vietnamese government introduced new provisions that prohibits the sale of alcohol to minors.

Marketing

The Diageo Marketing Code contains our mandatory minimum standards to ensure our marketing materials are responsible and directed at adults. Below are some of the provisions that address this issue.

- Our marketing, including sponsorship, must never be designed or constructed in a way that appeals primarily to people younger than the LPA
- We will not license our brand names, logos or trademarks for use on children’s clothing, toys, games, games equipment or other materials intended for use primarily by people younger than the LPA
- People appearing in our alcohol brand advertising must be over 25 years or older, and reasonably appear to be and be portrayed as 25 years or older
- We will place our marketing in communications media and events only where 70% or more of the audience can reasonably be expected to be older than the LPA
- We will take reasonable steps not to place advertising on any outdoor stationary location in close proximity to schools, except on licensed premises
- We will employ all available technology to ensure users of Diageo websites are over the LPA
- No market or consumer research will be commissioned or conducted by Diageo among people younger than the LPA.