

HUMAN RIGHTS & ANTI-DISCRIMINATION Global Policy



EXTERNAL
ACTIVITY

We have a responsibility to promote and protect human rights and freedoms in everything we do

Our commitment

We recognise that we are responsible for the impact of our activities on our employees, on consumers of our products and on the communities in which we operate.

We have a broad responsibility, embodied in the expectations of civilised society and in the Universal Declaration of Human Rights, to use our influence to promote and protect human rights and freedoms by establishing clear ethical standards for ourselves and by fostering similar standards in all who act with us or on our behalf.

It is our belief that the countries and communities in which we operate should benefit from our presence. Our Code of Business Conduct includes examples of human rights issues: this Policy seeks to expand on them.

As a minimum, we will strive to ensure that our operations are consistent with the legal principles applicable in all the countries in which we operate.

Scope of this policy

This Policy sets global minimum standards and will apply in all countries including those where the requirements of local legislation are less stringent.

The Diageo Human Rights & Anti-discrimination Policy applies to all Diageo employees and employees of subsidiaries and joint ventures where Diageo has a controlling interest. It also applies, as far as is reasonably achievable, to our upstream and downstream supply chain through partners, suppliers and third party contractors. In joint ventures where Diageo does not have overall control, the leaders and managers of those businesses are strongly encouraged to adopt the same or similar standards. If any human rights issues arise in joint ventures we will work actively with the business leaders to address them.

Core principles

Valuing diversity

At Diageo we encourage the uniqueness of individual contribution within a team environment. One of our core values, 'Freedom to succeed', promotes openness and teamwork, invites employees to challenge convention and encourages trust in people.

We celebrate cultural and individual diversity – rely on it even – to create an energising team culture and leadership reputation. This is encompassed in another of our values, 'Proud of what we do'.

We will work to achieve an employee base that is diverse and to create a culture that is inclusive of all individuals. We will support internal networks that promote diversity such as women or Gay, Lesbian, Bisexual and Transexual (GLBT) groups and will work with external bodies in pursuit of our inclusion and diversity goals.

Q Since I started my role, I have consistently worked excessively long hours. I'm afraid that if I mention it to my line manager he will replace me. What shall I do?

A Work-life balance is important to us at Diageo and we believe that everyone has the right to rest and leisure. Although it may sometimes be necessary to work longer hours on occasions when your team is especially busy, this shouldn't be a permanent situation. In the first instance, you should feel free to discuss your current responsibilities with your line manager, but if you feel uncomfortable doing this or you cannot reach an agreement, you can also talk to your local HR contact or make a confidential report through SpeakUp. Remember, we never condone reprisals against an individual who raises an issue.

Anti-discrimination

All our employees have the right to expect that their basic human identity and dignity are fully respected in the workplace and we reject any form of unfair discrimination.

In all aspects of employment, such as recruitment, compensation and benefits, training, promotion, transfer and termination, we will treat individuals justly and in a non-discriminatory manner, solely according to their abilities to meet the requirements and standards of their role. We will do so without regard to factors such as (though not limited to) race, religion, colour, ethnic or national origin, disability, sexual orientation, gender or marital status. We will respect local legislation or programmes which seek to address imbalances of the past.

We will not tolerate employees being subject to physical, sexual, racial, psychological, verbal, or any other form of harassment, bullying or abuse. Failures to live up to this standard will be detected and will be dealt with swiftly and effectively.

Work-life balance

We recognise that everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay. We acknowledge and promote a healthy balance between employees' working and home life and respect the commitments they have outside of the work environment. We will comply with working time legislation in all countries in which we operate.

Releasing potential

Releasing the potential of each and every one of our people will make a positive difference both to our employees and to our business. The scale of this commitment seems daunting, but this is a fundamental objective for Diageo. We will support our employees in a process of continuous development and learning to enhance their skills and release any latent talent. Our value, 'Be the best', encourages employees to be open to new ideas, to seek continuous improvement and to help foster a climate of self-learning in Diageo.



Since 2008, more than 21,000 students in 15 countries in Latin America and the Caribbean have graduated from Diageo's Learning for Life programmes.

Fair reward

We recognise the skills and contributions of all our employees and will ensure that they are justly and fairly remunerated to account for their contributions to the company. We will take all reasonable steps to recognise the contributions that individual employees make to the company. Wages and benefits for a standard working week will meet, as a minimum, national legal standards and should always be enough to meet basic needs and to provide some discretionary income.

Q I have found some online courses that would help me do my job but I am concerned that if I ask my line manager she will be disappointed that I don't have these skills already. What should I do?

A Your line manager should already be well aware of your skills and will be very happy to support you in augmenting those you already have. There is budget available for a wide range of training; we actively encourage our employees to develop their current skill sets.

Q I am thinking of joining a trade association but I'm afraid that if I mention it to my line manager it may hinder my career progression. Can this happen?

A You should not be afraid to mention it to your line manager: belonging to a trade union is an important freedom and we support any employee who chooses to do so. If you feel that you are being harassed or discriminated against because of your membership, you should contact your local HR team, Global Compliance and Ethics team or use SpeakUp to make a report. We never condone discrimination against anyone on the basis of trade union membership.

Valuing people

Diageo does not make use of nor will we have partners who make use of any form of forced or compulsory labour. This includes any requirement to lodge 'deposits' or identity papers. We also respect the right of employees to leave the company after giving reasonable notice.

We will not employ children under the age of 16. Where young people under the age of 18 work for Diageo companies or their partners, we have a special responsibility to protect and promote their interests to ensure that they are only employed under circumstances that protect them from physical risks. For all Diageo employees under the age of 18, we will pay particular attention to their vocational training and development needs. The company will ensure that all young people under the age of 18, be they full- or part-time employed, are treated in accordance, with all of our own values and standards.

We will respect all relevant local employment laws with regard to working conditions, training and a duty of general care.

Employee engagement

We seek to have all our people highly engaged and aim to create an environment where all employees believe they can achieve their potential. The company is committed to full and open communication with employees through a variety of means at an individual, team, and business level. We will ensure that we communicate our strategy, goals and values to all employees and will promote two-way dialogue encouraging employees to express their ideas, thoughts and concerns.

As a signatory of the UN Global Compact, we will respect the right of employees to join or not to join trade unions, to be freely represented by them and generally to join together for the purposes of promoting common goals and collective bargaining. Where the right to freedom of association and collective bargaining is restricted under law, we will support the development of parallel means of consultation and of independent and free association.

Respect for national sovereignty

Diageo recognises that there is potential conflict, and moral dilemma, in countries where human rights are compromised. In such environments it is important that Diageo takes responsibility to ensure our business operations do not contribute directly or indirectly to human rights abuses. We use our influence internally to ensure that our employees fully understand the company's commitment to human rights and their own rights and responsibilities.



Diageo's Water for Life programme has benefited an estimated four million people since 2006 through partnership projects providing clean drinking water and sanitation across Africa.

UN Global Compact Principles

Businesses should:

- support and respect the protection of internationally proclaimed human rights
- make sure they are not complicit in human rights abuses.

Businesses should uphold:

- the freedom of association and the effective recognition of the right to collective bargaining
- the elimination of all forms of forced and compulsory labour
- the effective abolition of child labour
- the elimination of discrimination in respect of employment and occupation.

Community

As a responsible corporate citizen, Diageo has rights and responsibilities in society. We believe that by being active and caring about the communities where we operate, we can best meet these social responsibilities and contribute to positive change.



Diageo reacts rapidly and pro-actively to disasters affecting communities in our markets. We work with organisations such as the Bridge Foundation in the US to co-ordinate disaster relief effectively.

Safe working environment

Diageo is committed to ensuring the health, safety and welfare of its employees whilst working or on company business, and ensuring that each employee is made aware of applicable Diageo safety programmes and safety and health regulations. All our people are expected to adopt a pro-active, co-operative attitude towards the health and safety of all Diageo employees, customers and suppliers, and others working at or visiting Diageo property.

We will undertake all reasonable and practical steps to ensure that the premises where our employees operate are secure and provide a safe and hygienic working environment.

How does this apply to me?

- We will always respect the human rights of those with whom we work and come into contact as Diageo employees.
- We will never engage in bullying or harassment, or any behaviour that could be viewed as discriminatory, offensive or intimidating.
- We will not discriminate against anyone or any group based on factors that do not relate to their ability to do their jobs.
- We should not knowingly work with anyone known or suspected to be acting in a way that infringes basic human rights.
- We will encourage partners, suppliers and other third parties to adopt similar standards with respect to human rights and will continue to include these principles in our "Partnering with Suppliers" document.

Q I have mentioned to my manager that I am being bullied but there has been little or no response from him. Who else can I speak to?

A Bullying is not acceptable in any form and if you do not feel that you have received the appropriate support from your line manager, you should raise the matter with your team's HR contact or the Global Compliance & Ethics team who can intervene to ensure that the correct actions are taken. We do not tolerate any reprisals taken against someone who makes a report in this situation. You can also contact SpeakUp to make a confidential report.

Responsibility

We are all individually responsible for making sure that we comply with this Policy in addition to Diageo's Code of Business Conduct and all laws, regulations and industry standards.

If you manage people, you are expected to ensure that the individuals who report to you receive the guidance, resources and training they need to enable them to do their jobs in compliance with this Policy.

Monitoring

Any breach of this Policy is also considered to be a breach of the Diageo Code of Business Conduct and should be reported promptly through one of the routes described in the Code. You can also discuss concerns or make a confidential report using SpeakUp.

Breaches of this policy will be dealt with in accordance with the Diageo internal investigations policy and local disciplinary policies, as permitted by law.

Contacts and further information

Diageo firmly believes in continuous improvement. Please help us do better by sending your feedback to: good.citizen@diageo.com

The Global Compliance & Ethics team manages the Diageo Compliance & Ethics programme and is available to provide help and guidance on all issues relating to the Code and Diageo policies.

This Policy was last reviewed and updated in July 2011.