

2014 PROGRESS REPORT

BEER, WINE AND SPIRITS PRODUCERS'

COMMITMENTS TO
REDUCE HARMFUL DRINKING



EXECUTIVE SUMMARY

OUR BELIEFS

- We believe that reducing harmful use of alcohol will benefit society and our businesses alike.
- We respect the rights of adults to choose to drink alcohol beverages, or to choose not to drink them.
- We believe that all alcohol beverages sold in a society should be appropriately and effectively regulated.
- We believe that alcohol consumption patterns are strongly influenced by cultural and religious factors.
- We believe the most feasible and effective measures to reduce harmful use of alcohol are evidence-based, take into account drinking patterns, and target specific problems.
- We believe that governments, producers, and other stakeholders need to work together more vigorously to reduce harm associated with “non-commercial” or unrecorded alcohol, given that it accounts for a significant portion of all alcohol consumed globally, particularly in many low- and middle-income countries.
- We support the implementation of the WHO Global Strategy to Reduce the Harmful Use of Alcohol and the constructive role Member States have identified for producers.

Commitment 1: Reducing Underage Drinking

Commitment 2: Strengthening and Expanding Marketing Codes of Practice

Commitment 3: Providing Consumer Information & Responsible Product Innovation

Commitment 4: Reducing Drinking and Driving

Commitment 5: Enlisting the Support of Retailers to Reduce Harmful Drinking

The Commitments embody an ambitious program of actions over a five-year period (2013-2017) which we hope will make a real contribution towards the global target set by the world’s governments of “at least a 10% relative reduction in the harmful use of alcohol” by 2025.

As signatories to the Commitments, we are individually and collectively committed to tackling harmful drinking, and promoting responsible decisions about drinking or not drinking, in the many countries where we are commercially active. We do this by promoting policy dialogue, assessing evidence, and seeking local solutions to the particular issues around harmful drinking in each country. But we know that we cannot do it alone: only by working together with a broad range of stakeholders will we achieve our targets for 2017, and this collective approach is embodied in the Commitments themselves.

Each Commitment will be delivered through a set of specific actions, each with its own plan and key performance indicators (KPIs), and we report in detail on each action on pages 10-30. These pages include case studies, which serve as examples of the diversity and breadth of activities across regions, by different companies, industry organizations and partners. We also report specifically on the KPIs on pages 31-36; these are collected by Accenture Strategy and assured by KPMG Sustainability.

OVERVIEW OF PROGRESS

One of the key areas we focus on – where we know we can make a difference – is to raise the profile of important alcohol-related issues with governments and policy makers. We campaign, for example, for stricter enforcement of drink driving laws, and to protect young people through the introduction of legal purchase age laws where they do not exist.

We also set specific priorities for each year to help us focus and achieve measurable results. While we have made progress in many areas, we also found areas where we need to redouble our efforts to achieve our objectives, as summarized on pages 5-8.

2014 PRIORITIES

1: REDUCING UNDERAGE DRINKING

- **Priority:** In October 2014, the International Alliance for Responsible Drinking (IARD) successfully launched the Alcohol Education Guide.
- **Examples of activities:** We took part in the introduction of legal purchase age legislation in Vietnam in February 2014 (p. 11), and worked with the Ministries of Health and Education in Grenada, St. Lucia, and Dominica to promote healthy lifestyles, emphasizing that kids and alcohol do not mix (p. 13).

2: STRENGTHENING AND EXPANDING MARKETING CODES OF PRACTICE

- **Priority:** In September 2014, we successfully launched our Digital Guiding Principles.
- **Examples of activities:** In the Netherlands we supported a Social Aspects Organization (SAO) that provides pre-clearance of alcohol advertising according to the country's Advertising Code for Alcoholic Beverages (p. 20).

3: PROVIDING CONSUMER INFORMATION & RESPONSIBLE PRODUCT INNOVATION

- **Priority:** In 2014, we made substantial progress on developing a consumer information website, [ResponsibleDrinking.org], which has since been launched in May 2015. In a consumer-friendly fashion, the website shares the facts about how alcohol products affect those who drink, to enable people to make the best choices for their particular circumstances.
- **Examples of activities:** We carried out a survey of all beverages currently produced and marketed by all signatories which showed that all are below the threshold caffeine level established for soft drinks or energy drinks (i.e., 200 mg / l).

4: REDUCING DRINKING AND DRIVING

- **Priority:** We conducted feasibility studies and built relationships, which enabled us to select six new countries where we aim to take our drink driving prevention programs in the coming year – Cambodia, Dominican Republic, Namibia, South Africa, Argentina, and Thailand.
- **Examples of activities:** In support of the UN's Decade of Action for Road Safety, we partnered with governments in China, Colombia, Mexico, Nigeria, Russia, and Vietnam to conduct drink driving prevention programs. For example, we partnered with the Nigerian government's Federal Road Safety Corps to conduct alcohol breath testing across the country (p. 26).

5: ENLISTING THE SUPPORT OF RETAILERS TO REDUCE HARMFUL DRINKING

- **Priority:** The development of the Guiding Principles for Responsible Retailing kicked off with a roundtable including five major international retailers and experts, but we were not able to complete the project in 2014. We expect to have draft Principles by the end of 2015.
- **Examples of activities:** While the Principles are under development, we have been working with retailers on practical programs such as training servers to check IDs. For example, we formed an industry-wide partnership in Denmark to promote facts about responsible drinking and preventing underage purchasing as part of the Ministry of Health's 2014 national prevention plan.

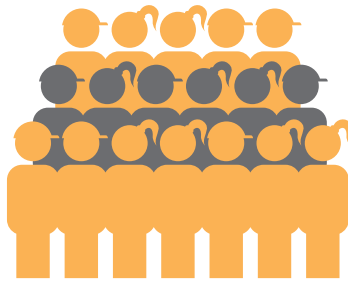
2014 ACHIEVEMENT HIGHLIGHTS

1: REDUCING UNDERAGE DRINKING

Working with stakeholders
we increased outreach on
**strengthening Legal Purchase
Age (LPA) engagements**



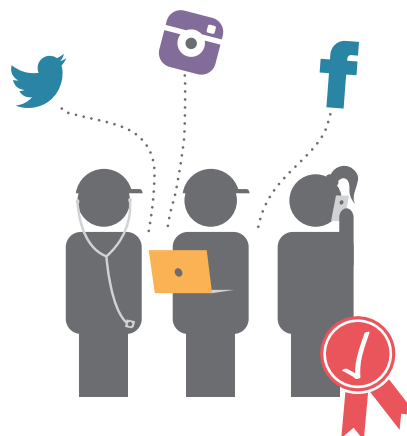
The number of
adult influencers
we reached with
education programs
increased from 0.5m to
3.2 million



We reached
2.58 million
Underage persons
with interactive
programs to tackle
underage drinking

2: STRENGTHENING AND EXPANDING MARKETING CODES OF PRACTICE

To protect young people,
we launched
the first-ever set of
Digital Guiding Principles
to ensure **high standards**
for digital advertising



3: PROVIDING CONSUMER INFORMATION & RESPONSIBLE PRODUCT INNOVATION



Over 5 years,

signatories will display
responsible drinking symbols
on their packaging



To provide consumers with
**information about harmful
drinking**, we launched
responsibledrinking.org

Compliance to **prevent high risk drinking**,
we **do not** produce beverages with
excessive stimulants



4: REDUCING DRINKING AND DRIVING

Six pilot drinking and
driving programs have been
implemented since 2010,
**six additional countries
selected in 2014**



5: ENLISTING THE SUPPORT OF RETAILERS TO REDUCE HARMFUL DRINKING

Local responsible
retailing initiatives are
ongoing / supported by
industry with retailers in








66 countries

We have also made progress on how we collect and report data. We identified that the KPIs for two of our Commitments were not sufficiently robust. Following the 2013 reporting cycle we again sought Accenture Strategy's advice on improving the protocols and definitions associated with those KPIs in order to refine the consistency of reporting and minimize ambiguity across all of our companies and our partners. The KPI review process with Accenture Strategy also led us to establish two new KPIs (2d and 9b) in order to capture the diversity and breadth of actions supporting the objectives of the Commitments.

LOOKING AHEAD TO 2015

We are fully aware that there is a lot more work to be done, and have set out our priorities for 2015 on page 37. We also provide regular updates on activities and progress between each annual report on our website, producerscommitments.org.

2014 SCORE CARD		
COMMITMENTS	ACTIONS	
1: Reducing underage drinking	<ul style="list-style-type: none"> Launching the Alcohol Education Guide: Reducing Underage and Other Harmful Drinking Disseminating and developing programs based upon the Guide 	
2: Strengthening and expanding marketing codes of practice	<ul style="list-style-type: none"> Launching our Digital Guiding Principles Expand monitoring of 70/30 compliance with regard to television advertising 	
3: Providing consumer information and responsible product innovation	<ul style="list-style-type: none"> Launching a dedicated website 	
4: Reducing drinking and driving	<ul style="list-style-type: none"> Completing our evaluation of the six existing initiatives and putting them on sustainable long-term footing Beginning the extension of the program to up to six new pilot countries 	
5: Enlisting the support of retailers to reduce harmful drinking	<ul style="list-style-type: none"> Launching our Guiding Principles for Responsible Retailing 	



The work summarized in this report is part of the implementation of the
Beer, Wine and Spirits Producers' Commitments to Reduce Harmful Drinking