



COMBATING HARMFUL DRINKING

2017 Progress Report & Five-Year Summary of Actions

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FROM OUR CHAIR

“We have a duty to promote responsible drinking, and tackle alcohol misuse, and we’re in a unique position to do so.”

It is five years since the world’s leading beer, wine and spirits producers agreed to work together to address harmful drinking because, although our individual companies are very different, we share many of the same values. We all take pride in the drinks we produce, we appreciate our consumers and are honored by their loyalty to our brands. And we acknowledge our responsibilities, not just to the people who enjoy our brands, but to the communities we serve.

Harmful drinking ruins lives. Drinking and driving kills. Underage drinking hurts children. It’s our duty to fight the harmful use of alcohol – as an industry, as producers, as individuals – to help improve global health and reduce the risk of noncommunicable diseases (NCDs).

We want to ensure our products are only consumed responsibly, so that drinking them is always a positive experience. Our vision of responsible consumption sees an environment where everyone benefits, with a culture of moderation for those who choose to drink. Our vision of the future sees us continuing to be part of hundreds of communities, creating jobs and contributing to economic growth, while working with

others to combat harmful drinking.

Our innovative partnerships, from government departments to health agencies and grassroots nongovernmental organizations (NGOs), have been central in supporting us to deliver our Producers’ Commitments.

We have achieved a great deal working together and with others, and yet there is still so much more we can do. We’re seeing positive change in many parts of the world, in underage drinking, drinking to excess, and drinking and driving. But, we want to see positive change in every part of the world.

As leading companies, we are keen to build partnerships at the local, national, and global level to improve health and achieve the UN’s Sustainable Development Goals (SDGs). As

responsible leaders, we set high standards for ourselves and hope to inspire other producers to join our mission to promote responsible drinking.

Through our Producers’ Commitments, we have laid strong foundations for the work ahead, and we’re delighted to share our five years of progress. We hope you will join us in combating harmful drinking.

IN 2013, WE STARTED WORKING FOR CHANGE IN OUR FIVE KEY COMMITMENT AREAS:

- COMMITMENT 1:** REDUCING UNDERAGE DRINKING
- COMMITMENT 2:** STRENGTHENING & EXPANDING MARKETING CODES OF PRACTICE
- COMMITMENT 3:** PROVIDING CONSUMER INFORMATION & RESPONSIBLE PRODUCT INNOVATION
- COMMITMENT 4:** REDUCING DRINKING & DRIVING
- COMMITMENT 5:** WORKING WITH RETAILERS TO REDUCE HARMFUL DRINKING



Ivan Menezes

Ivan Menezes
Chair, IARD CEO Group

The new 2017 summary of our Producers’ Commitments is available online at:
www.bit.ly/1xbAdo0

PERFORMANCE SUMMARY: 2013-2017

Each of the five Commitments is measured and evaluated by a series of key performance indicators (KPIs) which we initially developed with advice from Accenture Strategy. The KPIs have evolved over the five years to improve clarity and to reflect better the data acquisition process.

This section of the report summarizes and presents the progress that we've made since 2013 through case studies and infographics for each Commitment.

KEY TO KPI INFOGRAPHICS:



Progressive

The infographic shows a timeline of progress for the KPI for the entire five-year period of the Producers' Commitments (some KPIs cover a shorter period, and these are also marked with an "O" or "L", see below).



Only 2017 data

The infographic only shows data from the 2017 KPI reporting cycle.



Cumulative

The infographic shows the total performance for the KPI over the entire five-year period of the Producers' Commitments (some KPIs cover a shorter period, and these are also marked with an "O" or "L", see below).



Limited data set

Figures for the whole period between 2013 and 2017 were not available. Data could not be compared or accumulated for every KPI, between 2013 and 2017: for example, prior year data was less robust in some cases, or the KPI protocol had been revised and the data was not comparable across years. In these cases, the applicable year range is stated on each infographic.

THE FIVE COMMITMENTS



Reducing underage drinking

PAGES 6–9



Strengthening & expanding marketing codes of practice

PAGES 10–13



Providing consumer information & responsible product innovation

PAGES 14–17



Reducing drinking & driving

PAGES 18–23



Working with retailers to reduce harmful drinking

PAGES 24–27

REDUCING UNDERAGE DRINKING

Robust partnerships between private and public sectors and civil society are essential for improving global health and delivering sustainable change. For this reason, we work with NGOs, intergovernmental organizations (IGOs), and other interested stakeholders – including police, retailers, parents, and educators – to fight underage drinking through educational programs.

Since 2013, we have reached over half a billion people to reinforce the message that underage drinking is both harmful and socially unacceptable.

Lack of historical and recent data means that we cannot report on worldwide trends, however underage drinking has been declining in much of the developed world, especially in Europe and the United States.

Findings from European countries are encouraging: past month drinking by underage youths decreased in most European countries between 2011 and 2015 and it was not found to increase during this time in any of the countries included in the [European School Survey Project on Alcohol and Other Drugs \(ESPAD\)](#)¹.

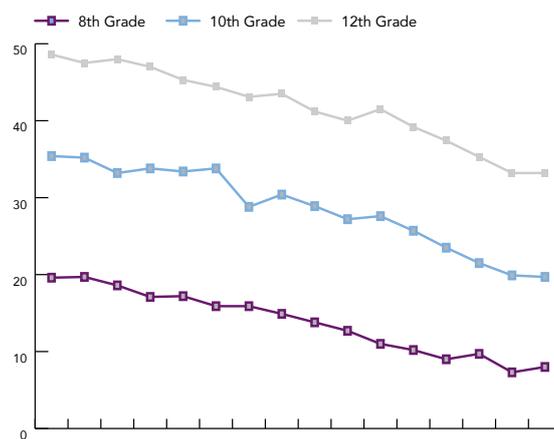
Underage drinking rates have also decreased in the

[United States](#)², with the prevalence of drinking in the past year at a historic low, and those of drinking in the past month and binge drinking declining in the past five years.

We support age-verification schemes in our countries of commercial activity around the world that have legal purchase age (LPA) legislation. While most countries have this legislation, a small minority do not, and external factors have often posed a challenge in those countries: for example, in Haiti, the legislative committee has drafted LPA regulations, but the Haitian Parliament has not yet adopted them. We will continue to champion and support the establishment

of enabling regulatory frameworks in our countries of commercial activity without an LPA.

PERCENTAGE OF STUDENTS CONSUMING ANY ALCOHOL DURING THE PAST 30 DAYS IN THE UNITED STATES 2002-2017²



¹ <http://www.espad.org/report/figure-21b-use-any-alcoholic-beverage-during-past-30-days-country-1995-2015-percentages>

² <https://www.drugabuse.gov/publications/drugfacts/monitoring-future-survey-high-school-youth-trends>

COMMITMENT
1

Key to KPI infographics: **P** Progressive **C** Cumulative **O** Only 2017 data **L** Limited data set, figures for 2013–2017 were not available

ACTION 1: STRENGTHENING LEGAL PURCHASE AGE (LPA) REGULATIONS



1.5m^C

engagements, such as meetings, workshops, and partnerships, in support of LPA regulations between 2013 and 2017.



9-11^P

The number of countries reported as not having an LPA regulation in place has varied from nine to 11 countries between 2013 and 2017.* We are commercially active in only three of the 11 countries that currently don't have an LPA.**

3



Only three of the 108 countries that we are commercially active in don't have an LPA: Cambodia, Haiti, and Sierra Leone.

ACTION 2: UNDERAGE EDUCATIONAL INITIATIVES

546m^{CL}

We collectively reached over half a billion people between 2014 and 2017 through channels including websites, social media, TV and radio broadcasts, and newspapers.



3.0m^{CL}

influencers*** reached with education programs and materials designed to prevent and reduce underage purchase and consumption of alcohol via face-to-face interactions between 2015 and 2017.

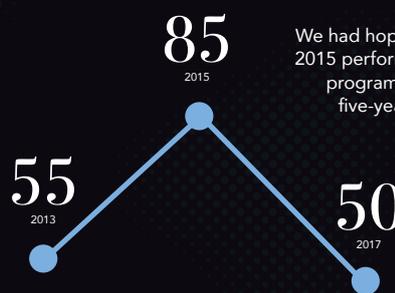


6.0m^{CL}

underage individuals reached with education programs and materials via face-to-face interactions such as lectures and seminars between 2015 and 2017.

64^P

Education programs have operated in an average of 64 countries per year (between 2013 and 2017).



We had hoped to continue to build on the 2015 performance and expand education programs into more countries over the five-year period, but we encountered challenges both in sustaining multi-market programs and building capacity of local partnerships with NGOs and IGOs in many countries of commercial activity.

*Our initial research identified a higher number of countries where alcohol sales are permitted but without LPA regulation. Over the five years, we have undertaken further legal research to determine that Greece and Comoros have LPA regulations, and that the National Assembly of Vietnam adopted an alcohol policy incorporating LPA in 2014. We added South Sudan to our list of countries without an LPA in 2015, and Guinea-Bissau and Togo in 2016.

**The countries without LPA are Bangladesh, Cambodia, the Democratic Peoples' Republic of Korea, the Democratic Republic of Timor-Leste, Djibouti, Guinea-Bissau, Haiti, Sao Tome and Principe, Sierra Leone, South Sudan, and Togo.

***An influencer is an individual who affects or changes the opinions or behavior of other people, for example parents, teachers, other adults, and community leaders.

COMMITMENT 1 IN ACTION

The following case studies are selected from our regional and national programs, highlighting a diverse set of actions, priorities, geographies, and challenges. They reflect the many ways we work around the world, and represent programs implemented by individual companies as well

as through partnerships. Our secretariat, the International Alliance for Responsible Drinking (IARD) recorded good practices from these and other programs and identified tools for practitioners, to create our [Alcohol Education Guide](#)¹ to help combat underage drinking.

BEST PRACTICE: "ČLOVĚČE, NEZLOB SE" ("STAY COOL")

Researchers found that 90% of underage youths in the Czech Republic had consumed alcohol, and that 70% had never been stopped from buying it. Molson Coors launched "Stay Cool" in 2014 to help fight underage drinking by giving retailers the tools to deal calmly and effectively with underage youths trying to buy alcohol.

Dealing with these situations can be stressful, so the campaign taught retailers how to recognize and effectively manage common scenarios where underage youths may try to buy beverage alcohol. For example, when a shop is busy, the cashier is under pressure to serve customers quickly and may

be less likely to check for ID. The guide explained how to handle the situation professionally and calmly, and reminded staff of their legal responsibilities. The guide also reminded staff of the wide range of beverages that can contain alcohol and prompted them to ask for age-verification ID when serving younger customers.

Many of the Czech Republic's largest supermarket groups supported the scheme, including COOP, Tesco, and Kaufland, and training was also freely available to the public; since the project's launch approximately 16,990 people have completed the training.



SHAPING SOCIETY: AGAINST UNDERAGE DRINKING IN JAPAN



Asahi's "小学生に対する飲酒防止啓発ツール「どうする? どうなる? お酒のこと」" ("What would you do? What could happen? Learn about alcoholic beverages")² campaign teaches pupils, from primary school up to high school, about the harms of underage drinking. The program empowers children to refuse alcohol by roleplaying scenarios where it's offered to them; the campaign also tells adults not to give alcohol to children, and reminds them of the legal consequences for doing so.

Approximately 35,000 copies of the guide are distributed every year, with 720,000 given out in total (as of December 2017) since its launch in 2007. The campaign was revised and updated in 2017, with an accompanying interactive, animated website, and Asahi distributed 72,000 copies of the guide in that year.

PARTNERSHIP: PRATA OM ALKOHOL "TALK ABOUT ALCOHOL"³

The Swedish Spirits and Wines Suppliers (SVL) partnered with organizations including the Swedish Brewers Association to launch this campaign to change 13- to 17-year-olds' attitudes towards underage drinking.

Pupils learn how to resist social and peer pressure to drink alcohol through class activities including role playing; these exercises can be run at three different levels to match each class's previous experience with alcohol. Children

also get involved through competitions to create responsible drinking messages, and the campaign advises parents on how to discuss underage drinking with their children and helps teachers to draw in and motivate the whole school.

Bacardi, Diageo, and Pernod Ricard are three of the members of the SVL. The members of the Swedish Brewers Association include Carlsberg.



¹<http://alcooledguide.org/>

²<https://www.asahibeer.co.jp/csr/tekisei/kids/>

³<https://prataomalkohol.se/>

PARTNERSHIP: WORKING TOGETHER TO COMBAT UNDERAGE DRINKING IN DENMARK

Denmark had a high number of underage drinkers and has had one of the worst records in Europe. In 2014, the Ministry of Health set seven national health goals, including target five: "to reduce the harmful use of alcohol and to postpone the alcohol debut for adolescents."

The Alcohol Partnerskabet was established to help achieve these goals, with partners including the Federation of Retail Grocers in Denmark (DSK), the Danish Chamber of Commerce, hospitality trade association HORESTA, the Danish Restaurants and Cafes Association (DRC), the Wine and Spirits Organization in Denmark (VSOD), and the Danish Brewers Association.

The partnership received support from the Ministry of Health to run a series of campaigns between 2014 and 2017, including the campaign "Fastland" which created a frame of reference for discussions about underage drinking online and at high schools. The "Party prince" campaign gathered 1.5 million impressions and increased employee awareness of responsible retailing practices; tracking software also indicated that staff

cancelled transactions at the point of purchase because the customer could not provide age-verification ID.

The Danish Brewers Association's members include Carlsberg



10.6%

to 6.9% reduction in risky drinking behaviors (2010-2017)

1.5m

million impressions



43%

of staff in store found that the "Party prince" campaign made it easier for them to ask for ID

IMPACT: PREVENTING UNDERAGE DRINKING IN PARTNERSHIP WITH BRAZIL'S SCHOOLS



Pernod Ricard's "Na medida" ("Just right") program aims to prevent underage drinking by teaching minors, their parents, and their teachers about the effects of alcohol and the reasons that underage youths consume it, including low self-esteem, shyness, and peer pressure. The NGO Associação Singulares leads the sessions, which also encourage responsible consumption. The program has been held in 57 cities in Brazil, reaching more than 141,000 students in 429 schools, since its launch in 2011. In 2017, the

program was refreshed, and in that year taught over 20,100 students, 375 parents, and 118 teachers in 26 schools about the risks of harmful drinking.



SHAPING SOCIETY: TALKING TO UNDERAGE YOUTH ACROSS THE UNITED STATES

The Foundation for Advancing Alcohol Responsibility's (FAAR) science-based, cross-curricular teaching program "Ask, listen, learn"¹ provides resources for teachers, school counselors, nurses, other educators, and parents. The initiative teaches children aged between nine and 14 years about the dangers and consequences of underage drinking.

"Ask, listen, learn: alcohol and your developing brain" is a digital suite of educational resources that is accessible online and free of charge. It features seven animated videos, as well as lesson plans, interactive classroom activities, a facilitator's guide and "getting started" video, resources for parents, games, and activities. The program's content is aligned to the National Health Education Standards (NHES), the Common Core State Standards Initiative (CCSSI), and the Next Generation Science Standards (NGSS), ensuring that the resources are matched to the curriculum used by teachers.

FAAR is supported by companies including Bacardi, Brown-Forman, Beam Suntory, Diageo, and Pernod Ricard.



An independent, pre- and post-evaluation on "Ask, listen, learn"¹'s effectiveness, conducted in 2017 from over 1,700 students in 70 schools across the country found that:

86%



of students reported an increased dialogue between themselves and teachers.

"Ask, listen, learn" has reached

132.7m



pupils

STRENGTHENING AND EXPANDING MARKETING CODES OF PRACTICE

We want to set robust standards for our marketing communications as leading producers of beer, wine, and spirits. Our advertising messages should always be legal, truthful, honest, and consistent with prevailing cultural standards of good taste and social responsibility

We also commit to only target our marketing at adults of legal purchase age, and to promote safe and responsible drinking as part of a balanced lifestyle. All of us have internal marketing codes that clearly set out these guidelines.

We also support marketing codes of practice and self-regulation systems where they exist, and work in partnership to help introduce an enabling regulatory framework in countries where they do not yet exist. Codes of practice not only ensure high standards across many markets, but they also offer industry guidance in the absence of government regulation. We believe that industry self-regulation promotes social responsibility; it is particularly crucial in countries where there is minimal government regulation or limited resources for creating and enforcing it.

In 2017, 97% of our contracts with advertising agencies specified that the agencies must comply with our marketing codes; this high compliance helps to ensure that our codes have real authority and conveys how seriously we take this issue. With this in mind, we extended our codes to require the content of any online marketing to meet the same high standards that apply to traditional marketing activity.

In September 2014, we announced the first-ever set of global guidelines for beverage alcohol producers' online marketing and social media use, comprising seven principles across four key areas:

Minors: All interactive campaigns for alcohol should use an **age-affirmation mechanism** to check that the user is over the LPA. **The 70/30 Rule:** non-interactive campaigns should only be placed in media where it's reasonable to expect that at least 70% of the audience

is over the LPA. A **forward advice notice** (FAN) should be displayed where our content can be shared, clearly stating that it should not be forwarded to anyone under the LPA in the country of viewing.

Responsible Communication: Digital marketing communications and platforms should clearly display a **responsible drinking message** (RDM). Any user-generated content (UGC), on an alcohol producer's platform, should be **moderated frequently** so that it complies with the Guiding Principles.

Transparency: Our digital marketing communications should never **misrepresent** their commercial purpose by using techniques to imply that such messages are coming from an ordinary consumer.

Privacy: Consumers need to be informed in a **clear manner** about how their data is collected and used for marketing purposes.

In the interest of continuous improvement, in September 2017, we announced our **commitment**¹ to developing new marketing standards in collaboration with our internal marketers and with outside agencies and social media companies. Digital media presents evolving opportunities with improved consumer insights, better data, and technology and we are determined to use these to ensure that we direct our advertising only to those adults who can lawfully buy our products. We anticipate that these new standards will be announced in 2018 and implemented collaboratively with social media platforms in 2019.

Our new standards for digital marketing will take account of the rapidly-changing landscape, strengthening our commitment to market our products responsibly.

“
Codes of practice also
offer industry guidance in
the absence of government
regulation

¹<http://www.iard.org/wp-content/uploads/2017/09/IARD-Communique-PDF.pdf>

COMMITMENT
2

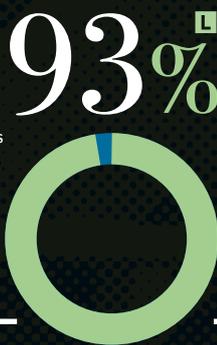
Key to KPI infographics: **P** Progressive **C** Cumulative **O** Only 2017 data **L** Limited data set, figures for 2013–2017 were not available

ACTION 3: ENSURING THAT ADULTS MAKE UP AT LEAST 70% OF OUR ADVERTISING AUDIENCE



of our digital advertising impressions, in Q4 2015 and Q1 2016, were compliant with our aim to target and reach audiences comprising of at least 70% viewers who are of legal purchase age.

The average adult composition across all measured sites where our digital ads appeared was 93% in Q4 2015 and Q1 2016.



of impressions were delivered in age-gated environments where users have confirmed their age; 16% of these impressions in Q4 2015 were bought programmatically, which supported our ability to deliver advertising to LPA-compliant audiences.*

ACTION 4: DEVELOPING DIGITAL MARKETING GUIDELINES

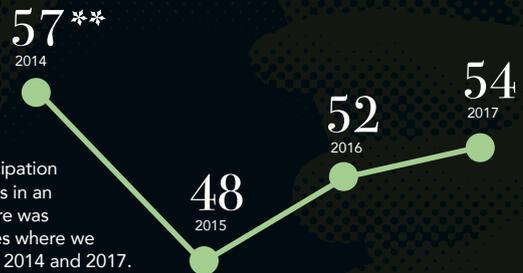


We published our Digital Guiding Principles (DGPs) in September 2014.

ACTION 5: INVOLVING THOSE OUTSIDE THE INDUSTRY IN THE SELF-REGULATORY PROCESS



We established non-industry participation in existing self-regulatory processes in an average of 53 countries where there was commercial activity, of the countries where we were commercially active between 2014 and 2017.



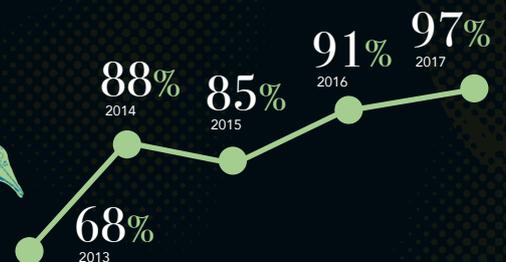
ACTION 6: MAKING RESPONSIBLE MARKETING CODES A CONTRACTUAL OBLIGATION



of our contracts with advertising agencies in 2017 specified that the agencies had to comply with our responsible alcohol advertising codes.



The percentage of our contracts with advertising agencies which specified that they had to comply with our responsible alcohol advertising codes increased 29 percentage points from 2013 to 2017.



*"Programmatic buying" is a way of ensuring that advertisers reach only their target demographic. It is an automated process for advertisers to buy media, and for media owners to sell real-time advertising inventory online. The advertiser

sets the parameters for the profile of the audience that they wish to reach: for example, specifying that an alcohol campaign message should only be shown to viewers above the LPA.

**The figure for 2014 includes one company's internal processes with independent input on marketing content and social media strategies.

COMMITMENT 2 IN ACTION

These selected case studies highlight our varied priorities, actions, and challenges in territories around the world. Our regional and national programs are implemented by individual companies as well as through partnerships.

SETTING STANDARDS: RESPONSIBLE ALCOHOL MARKETING POLICIES IN CAMBODIA

The Asia Pacific International Wine and Spirits Alliance (APIWSA), together with the Minister of Information Khieu Kanharith, signed the “Cambodia Responsible Alcohol Marketing and Communication Code of Conduct” in February 2017. The code sets out the rules that apply to alcohol marketing and represents a set of common standards supported by major international alcohol producers, such as statements on alcohol strength, harmful drinking, and not targeting those under 18 years old.

The signing of the code was another important step in the ongoing efforts to continue promoting a responsible drinking culture in Cambodia, with APIWSA Director Davide Besana commenting that it communicated “our commitment to promote our brands in a manner that is consistent with domestic and international regulations, as well as our ethics and values. The Code is testament to our pledge to ensure that

advertising and promotion of alcohol beverages in Cambodia is of the highest standard.”

Bacardi, Beam Suntory, Brown-Forman, Diageo, and Pernod Ricard are among the members of APIWSA



PARTNERSHIP: SELF-REGULATORY MARKETING GUIDELINES AGREED IN ARGENTINA

In May 2016, the three main trade associations for beer, wine, and spirits producers agreed a set of self-regulatory advertising guidelines. The Argentine Brewers association, the Bodegas of Argentina, and the Argentine Chamber of Spirits (CABE) – formerly, the Argentine Chamber of Distillers (CADIL) – committed to common standards, including ensuring that actors in alcohol advertisements are over 25 years old, and that these commercials will not imply that alcohol is good for health.

CABE representatives commended both producers and importers for their commitment to the corporate social responsibility aspect of their industries and confirmed the association would keep working in partnership to further improve self-regulation.

Members of the Argentine Brewers include the local operating companies of AB InBev and HEINEKEN, and CABE members include Diageo and Pernod Ricard.



“We are very happy with the signing of this agreement. The joint effort of industries is very important in terms of communication and this [agreement] confirms it.”

Argentine Brewers president Pablo Querol

PROGRESS: GHANAIAN GOVERNMENT, BROADCASTERS, AND TRADE ASSOCIATIONS WORK TOWARDS SHARED MARKETING CODES



In 2017, our secretariat, IARD, began planning and engagement work for a collaboration between the Association of Alcohol Manufacturers and Importers (AAMI), the Advertisers Association of Ghana (AAG), the Ghana Independent Broadcasters Association (GIBA), and the government's Ministry of Health, Ministry of Information, and Food and Drugs Authority (FDA) on responsible marketing guidelines.

The work culminated in a workshop in April 2018, where the stakeholders agreed to draft new alcohol marketing and advertising regulations. Minister for Information Dr. Mustapha Hamid praised the trade associations.

AAMI's member companies include Pernod Ricard, and the local operating companies of AB InBev and Diageo.

STRENGTHENING REGULATION: AB INBEV UPDATES COMPANY-WIDE MARKETING AND COMMUNICATIONS CODE

“ We have a great responsibility to ensure that our communications are honest, truthful, keep with contemporary standards of good taste, and are sensitive to cultural differences between markets. Compliance with the Code is therefore mandatory for all of our marketing, sales, promotion and communications efforts and includes both traditional and digital media. ”

AB InBev CEO Carlos Brito

AB InBev updated and enhanced its global Responsible Marketing and Communications Code¹ (RMCC) in October 2017, detailing standards with which all marketing, sales, promotion, and communications efforts must comply, across both traditional and digital media.

The Code includes guidelines intended to ensure that AB InBev's products are marketed only

to adults over the LPA and in a manner that does not portray irresponsible drinking as acceptable. It also clearly states that commercial communications should not make claims about health benefits and includes a dedicated section on standards for digital media and consumer data and privacy. Finally, the Code outlines how marketing and communications related to AB InBev's non-alcohol

beer products must also comply with the standards established by the Code.

The guide was translated into nine additional languages and supplemented with an online training course for company employees, as well as a separate online training course for the external marketing and communications agencies that AB InBev works with.

WHERE COMMERCIALLY ACTIVE, ALL 11 SIGNATORIES HAVE INTERNAL MARKETING CODES

SETTING STANDARDS: ASAHI'S STRENGTHENED CODES OF RESPONSIBLE MARKETING AND COMMERCIAL COMMUNICATION FOR EUROPE



In 2017, the two business units of Asahi in Europe set out their codes of commercial communication, and how they would be overseen and enforced, to continue their existing responsible practices. The “Responsible Marketing Policy”² and the “Policy

of Commercial Communication”³ sets of codes emphasize Asahi Europe Ltd. and Asahi Brewers Europe Group's commitment to high standards and accountability in all areas of business.

“ We act with honesty and integrity... [we are] decent and truthful, and prepare commercial communications with a due sense of social responsibility. ”

Asahi Europe's “Responsible Marketing Policy”²

“ Asahi Breweries Europe Group (ABE Group) believes strongly in our responsibility to be a force for good, both globally and in the communities in which we operate. An integral part of this is to communicate about and market our products in a responsible way. ”

Asahi Breweries Europe Group's “Policy on Commercial Communication”³

¹https://www.ab-inbev.com/content/dam/universaltemplate/ab-inbev/sustainability/RMCC%203.0_English_FINAL%20Oct%201-2017.pdf

²<https://www.asahibeer.eu/wp-content/uploads/2018/02/AEL-Responsible-Marketing-Policy-1.pdf>

³http://www.asahibreweries.eu/documents/Corporate_Policies/Compliance/POCC.pdf

PROVIDING CONSUMER INFORMATION AND RESPONSIBLE PRODUCT INNOVATION

As industry leaders, we're committed to responsible product and packaging innovation, ensuring that our new products and their packaging do not appeal to underage youths, do not claim any health benefits, and do not appear to encourage excessive or irresponsible consumption.

We are committed to combating underage drinking and drink driving, and discouraging pregnant women from drinking alcohol, through warning labels on our products.

We agreed on a specific KPI for responsible product innovation in response to public health concerns about excessive quantities of added stimulants. In 2013, we decided our

definition of "excessive quantities" would match the level of the United States Food and Drug Administration (FDA) consider safe for non-alcohol beverages. There is more information on this, and other guidelines, in the report ["Stimulants Added to Alcohol Beverages: Research Review and Discussion."](#)¹

“

We are committed to combating underage drinking and drink driving, and discouraging pregnant women from drinking alcohol

Action 7:

Responsible product innovation

We had a very high compliance rate – nearly 100% – with the two KPIs about responsible product innovation over the first three years, as we reported in our [2015 report on stimulants in alcohol beverages](#)²; changes in performance are therefore unlikely using the current monitoring methodology. The survey and previous Commitments progress reports have outlined internal company codes of practice and monitoring practices.

Action 8:

Providing consumer information

When we set out this commitment, we acknowledged that changing our packaging would follow the business cycles and could take up

to five years. So, while we have made some progress already, there will be even more over the next few years as we refresh and redevelop our packaging.

While we are committed to applying these standards to all brands in all markets, smaller brands by volume have a disproportionate impact on the primary indicator calculation by percentage of brands or volume.

¹<http://www.iard.org/wp-content/uploads/2018/09/2013-Stimulants-Research-Review.pdf>

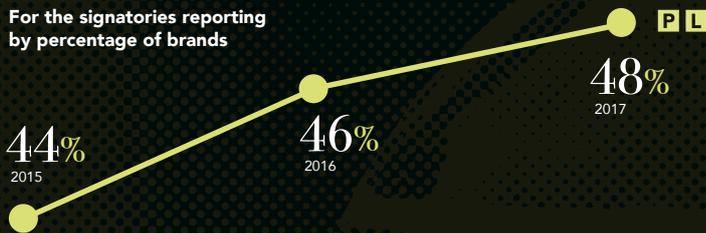
²<http://www.iard.org/wp-content/uploads/2018/09/2015-Stimulants-Survey-Report.pdf>

COMMITMENT
3

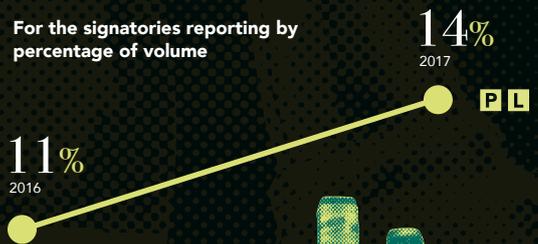
Key to KPI infographics: **P** Progressive **C** Cumulative **O** Only 2017 data **L** Limited data set, figures for 2013–2017 were not available

ACTION 7: RESPONSIBLE PRODUCT INNOVATION

For the signatories reporting by percentage of brands



For the signatories reporting by percentage of volume



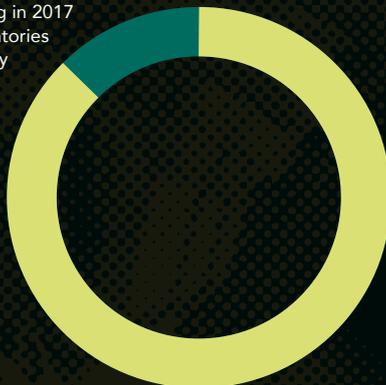
The primary indicator for this KPI – expressed as a percentage of either number of brands (8a) or percentage of volume (8b) – is the inclusion on product packaging of both one or more symbols (or equivalent words) and the address of a website containing additional information, including alcohol product strength and reminders about the dangers of excessive drinking on health.

ACTION 8: PROVIDING CONSUMER INFORMATION

Percentage of brands/volume carrying at least one of the symbols and/or equivalent words

85% ^{P L}

of products carried symbols or words warning against harmful drinking in 2017 out of the signatories that reported by volume (86% in 2016)



59% ^{P L}

of products carried symbols or words warning against harmful drinking in 2017 out of the signatories reporting by brands (62% in 2015, 62% in 2016)

This equates to

9,871 ^O

brands in 2017



COMMITMENT 3 IN ACTION

Promoting better health through reducing harmful drinking behaviors:

We communicate with our consumers about the importance of responsible drinking behaviors through our packaging and websites, and associated campaigns. These selected case studies highlight regional and national programs, and our varied priorities, actions, and challenges around the world; these programs are carried out by individual companies as well as partnerships.

PARTNERSHIP: EUROPE'S STUDENTS LEARN ABOUT RESPONSIBLE DRINKING

Pernod Ricard partnered with the Erasmus Students Network (ESN) to run the “Responsible party”¹ campaign in 32 countries across Europe. They trained student volunteers in health awareness and the importance of responsible drinking, so that they could talk to their peers during parties about the risks of harmful drinking and how to address it. The volunteers also distributed promotional material, including leaflets, water bottles, condoms, sunglasses, breath-testing devices, lanyards, and pens.

The campaign launched in 2010 and ran until 2017, reaching over 367,000 students. Researchers found that 89% of survey respondents said that “Responsible Party” was useful, 61% agreed that they had changed their alcohol-related behaviors, and 41% stated that they had decreased their alcohol consumption.



PROGRESS: ALCOHOL-DEPENDENCY TREATMENT IN NORTH AMERICA



Brown-Forman supports five organizations in its hometown of Louisville, Kentucky that help alcohol-dependent people, and their families, on the road to recovery: The Healing Place, Volunteers of America Mid-States, The Morton Center, The West End Token Club, and House of Hope. The producer has expanded this type of work in Virginia, California, and New York. Brown-Forman is committed to continuing to fight harmful drinking and is in the process of launching similar partnerships in Slovenia, Bosnia and Herzegovina, and England.



¹<https://www.responsible-party.com/prehome/>

SHAPING SOCIETY: SAVORING LIFE IN WESTERN EUROPE

Bacardi's "Slow drinking"¹ campaign encourages consumers in France to pause, and enjoy the moment, instead of rushing through life. Inspired by the European slow movement, and the subsequent philosophies of similarly slowing down to appreciate life's pleasures, the campaign reminds consumers to take the time to appreciate various elements of life and savor their cocktail by prioritizing quality over quantity.

The campaign has a busy social media presence, and a website including features on

enjoying slow drinking, and tips and resources for managing alcohol consumption. Its Facebook page reached 2.4 million people, with around 27,000 likes and 78,400 engagements in total. There were over 55,000 website sessions in 2017, and advertisements for "Slow Drinking" appeared in 200,000 "Le Parisien" cocktail bar guides and 126,000 copies of financial newspaper "Les Échos". The model is being adapted and shared in other countries, including Italy and Spain, which also appreciate "l'art de vivre" ("the art of living").



INNOVATION: CAMPAIGNING IN EASTERN EUROPE FOR ALCOHOL-FREE PREGNANCIES

The innovative "Nine months with zero alcohol" campaign raised awareness in Slovakia and Romania about fetal alcohol spectrum disorders (FASDs) and the importance of not drinking alcohol while pregnant.

The Slovakian subsidiary of Asahi Breweries Europe Group partnered with health experts and clinics to run the program. In 2017, Asahi engaged more than 25 outlets, 240 gynecological health clinics, and almost 600 specialists, such as doctors and teachers.

Romania's Ursus Breweries partnered with experts and influencers to educate consumers. As part of the campaign, the Romanian popstar ADDA performed a song – "Am grijă de noi"² ("I take care of us") – created to promote the cause; it reached 1.1 million views within a month of its release in 2017. The song includes a mix of babies' heartbeats, recorded from mothers' wombs, while the emotional video shows how a young couple change their lifestyle after realizing that they're going to become parents, including abstaining from alcohol during pregnancy. The theatre play "+30" was another element of the campaign; this powerful production highlighted the risks of drinking during pregnancy, starred Romanian celebrity and influencer Dana Rogoz, and was seen by 1,600 people.

"One of the most beautiful campaigns that I have ever made; I am honored to be its ambassador and am fully committed to this pioneering approach to future parenthood."

Dana Rogoz



¹<https://www.slowdrinking.com/us/en/>

²<https://www.youtube.com/watch?reload=9&v=tQQvgP2Or1Y>

REDUCING DRINKING AND DRIVING

In 2010, the World Health Organization (WHO) adopted its “Global strategy to reduce the harmful use of alcohol”¹ and the United Nations General Assembly (UNGA) announced its “Decade of Action for Road Safety 2011–2020”²; both emphasized the importance of reducing drink driving.

We responded by developing our drink-driving initiative – part of our “Global Actions on Harmful Drinking” – setting out our plans to build capacity, train, and evaluate and share global best practices through a series of pilot programs.

Our secretariat, IARD, operated these pilots between 2010 and 2017 with our local operating companies, trade associations, and government and nongovernmental partners in 11 countries: Cambodia, China, Colombia, Dominican Republic, Nigeria, Namibia, Mexico, Russia, South Africa, Thailand, and

Vietnam. We selected these pilot countries in 2010 and 2015 with consideration for the prevalence of alcohol-related road traffic crashes and the opportunity to build partnerships with stakeholders, such as government and industry.

Full progress reports on those programs are available on our [Producers’ Commitments website](#)³, while an overview of the 2017 pilots appears on page 31.

We also launched many individual drink-driving prevention programs between 2010 and 2017, and highlight some of these campaigns on pages 22–23.

AN OVERVIEW OF PILOT DRINK-DRIVING PREVENTION PROGRAMS BETWEEN 2010 AND 2017



CAMBODIA

The Cambodian government introduced a new road traffic law in 2016; we supported its implementation and the government’s efforts to reduce alcohol-related road traffic crashes. IARD worked closely with the Cambodian Red Cross (CRC) and the Ministry of the Interior (MOI) to develop public awareness campaigns, high-visibility law enforcement, and training with police, road safety practitioners, and volunteers; our secretariat also facilitated meetings with other stakeholders to exchange best practice information and monitor road traffic crash data.

IARD also conducted a highly visible campaign during the five-day water festival Bon Om Touk, where 500 volunteers promoted the message against drink driving at checkpoints in five provinces, and distributed campaign materials at national roads, public parks, pagodas, and garment factories.

“I am really proud of this project. Both the technical and financial support are extremely important for Cambodia.”

Cambodian Red Cross Secretary General **Pum Chantini**

For details of the campaign’s achievements in 2017, see page 31.

CHINA

Our work in China began in 2010 with close collaboration with governments and communities in Xi’an and Nanjing. It expanded to cover the entire Jiangsu province, as well as the cities of Wuhan and Shenyang, in 2013; our work in Jiangsu targeted around 1% of the world’s population. IARD organized targeted publicity campaigns and



workshops to improve enforcement and inform the Chinese public about the dangers of drink driving.

- Partners included the Chinese Centre for Disease Control (CCDC), Jiangsu Department of Health, Jiangsu Traffic Management Bureau, the Jiangsu Institute for Health Education.
- Over 150 people attended capacity-building workshops in 2013; this included a workshop for local law enforcement about best practice in safely and effectively operating sobriety checkpoints.
- In 2014, projects ran in nine cities with support from 19 local partners, and 1,942 students participated in an intervention program for novice drivers.

The pilot ended in 2015 when the program transitioned to local management.

¹http://www.who.int/substance_abuse/publications/global_strategy_reduce_harmful_use_alcohol/en/

²http://www.who.int/roadsafety/decade_of_action/en/

³<http://www.producerscommitments.org/commitments/reducing-drinking-and-driving/>



COLOMBIA

IARD started drink-driving programs in the municipalities of Chía and Quibdó in 2010 and expanded this work to Valle del Cauca in 2013. In December of that year, the Colombian government introduced “Ley 1696”, which halved the previous blood alcohol concentration (BAC) threshold for drink-driving offences and imposed stricter penalties on offenders. Our secretariat took the opportunity to educate police officers and other stakeholders about the new law, and its implications for enforcement, with drink-driving prevention campaign “Proyecto patrullero” (“Project patrolman”). The program expanded into three additional cities in 2014, which was also the final year of this pilot.

- Stakeholders collaborated with local police and government officials to develop “Proyecto patrullero”, running eight education seminars and training more than 500 government officials and law enforcement officers.
- “Proyecto patrullero” also targeted drivers with its responsible drinking message: “No conducción bajo los efectos del alcohol” (“No driving under the influence of alcohol”).
- We donated over 2,200 mouthpieces for breath-testing devices in 2014.



DOMINICAN REPUBLIC

The WHO “Global status report on road safety 2015” noted that the Dominican Republic had the highest level of road traffic crash fatalities in the Americas and the fifteenth-highest level worldwide.

We recognized the urgent need to reduce fatalities and began implementing a drink driving initiative in the country in 2015.

IARD’s program supported Santo Domingo’s police officers in enforcing drink-driving regulations, and worked to change drivers’ attitudes and beliefs around alcohol consumption, to help reduce road traffic crash fatalities. Our secretariat also facilitated the signing of a memorandum of understanding between the Ministry of Health and beverage alcohol producers; this was the first time they had formalized an agreement to work together to improve public health.

“The issue of drink driving in the Dominican Republic is very serious. IARD’s contribution to the country has considerably increased the likelihood of effectively addressing this problem. Hopefully in this new stage of traffic law implementation, drink driving will be prohibited and sanctioned. The country is grateful for the contribution of IARD to prevent or reduce this great problem, which affects mainly young Dominicans who die every day at the hands of alcohol-related crashes.”

Metro Group CEO Dr. Luis José Asilis

For details of the initiative’s achievements in 2017, see page 31.



MEXICO

Our secretariat initially developed the “Cero muertes por alcohol al volante” (“Towards zero deaths from drinking and driving”) program to curb drink driving in Puebla, especially among young adults, after a 2012 survey indicated that 71% of the 16- to 25-year-old respondents in the region had consumed alcohol, and a high percentage of underage respondents were driving without a license or permission.

- IARD ran 17 train-the-trainer workshops in 2013 and 2014. These new trainers led over 350 workshops in 2013, which were attended by more than 11,000 participants.
- The Secretary of Public Education, the Secretary of the Interior, and 38 public and private universities partnered with IARD to expand the scope and reach of the program in 2014; as a result, our educational workshops reached over 25,000 high school and university students that year with messages against drink driving.
- IARD partnered with the National Council on Addictions (CONADIC) in 2015 to deliver our program in support of the government’s “Drive alcohol-free” initiative.

For details of the campaign’s achievements in 2017, see page 31.



NAMIBIA

In 2015, we started working to help reduce alcohol-related traffic crashes. IARD collaborated with the Self-Regulating Alcohol Industry Forum (SAIF) to implement the “Driving under the influence of alcohol” program, between 2015 and 2017, which aimed to help reduce drink driving through public educational messages, and improved enforcement of regulations and detection methods.

Following a court challenge in 2013, officers were required to prove drink-driving offences with time-consuming blood samples rather than breath-testing devices. In 2016, the Namibian Standards Institute (NSI) approved the “Dräger Alcotest 7110 MKIII Evidential” breath-testing device for use in law enforcement; our work focused on helping to introduce these devices and Dräger trained seven traffic-police officers to provide refresher training for their fellow officers throughout the country.

For details of the campaign’s achievements in 2017, see page 31.



NIGERIA

Our work in Nigeria began in 2010 with an assessment that found that approximately 80% of the country’s freight moved by road, and many commercial drivers consumed alcohol and other psychoactive substances before driving; the initiative therefore focused on reaching this high-risk group with messages against drink driving. Historically, there has been a lack of data on the extent of Nigeria’s wider drink-driving problem, and so our secretariat partnered with the Federal Road Safety Corps (FRSC) to initiate a comprehensive research project on drink driving across the country.

- IARD also worked closely with the FRSC from 2011 to strengthen roadside checkpoint procedures.
- In 2014 and 2015, our secretariat partnered with

the NGO Strap and Safe Child Initiative (SSCI), and FRSC, to conduct pilot surveys and administer breath tests across the country's six geopolitical zones.

- Representatives from NGOs, unions, and academia attended capacity-building workshops to support them to continue their own efforts to combat drink driving in Nigeria when our initiative ended in 2015.



RUSSIA

In 2013, the federal government introduced its "Improvement of Road Safety 2013–2020" initiative and 50 policy changes around road safety, including increased penalties and punishments for drink-driving offenders, and changes to the curriculum at driving schools. This was an excellent opportunity to help improve road safety, and IARD worked with officials and key stakeholders at local, regional, and national perspectives to develop a new educational program for learner drivers.

- Our "Автотрезвость" ("Auto Sobriety") initiative launched in 20 driving schools in 2014, in partnership with the Public Chamber and Smolensk Humanitarian University.
- The program reached over 2,000 learner drivers in 2014, growing to train over 7,000 drivers, in 31 driving schools across four regions in 2015.
- The program was officially hosted by the Moscow Automobile and Road Construction State Technical University (MADI) in 2015, giving new opportunities for partnerships and expansion.

"Drinking and driving is a serious problem in our country. Thanks to ["Auto Sobriety"], we are getting ahead of the problem. Driving license candidates learn about the effects of alcohol on the body and on their judgement as well as Russian laws and penalties for drinking and driving, before they get their driving license. We have no doubts that [the initiative] will help prevent drinking and driving."

National Association of Driving Schools, Executive Director, Elena Zaitseva

For details of the campaign's achievements in 2017, see page 31.

SOUTH AFRICA

Our first project in South Africa began at the Eastern Cape's Rhodes University. The student population had a history of high alcohol consumption, and IARD partnered with NGO Young-Free-Educated (YFE) and the Industry Association for Responsible Alcohol Use (ARA) – now called the Association for Alcohol Responsibility and Education (Aware.org.za) – to address this.

The first, high-profile event covered by the media happened in July 2015 and was supported by celebrity ambassadors including soccer hero Jabu Mahlangu and music producer Oskido. IARD arranged drink-driving dialogues with students, presentations explaining how alcohol affects the body, and a question and answer session with a panel of experts, as well as facilitating training workshops with students, leaders and law enforcement officers.

- The program reached 2,500 students and 1,000 youths at Rhodes University in 2015.
- In 2016, IARD and YFE delivered more activities on campuses, as well as awareness-raising campaigns at police roadblocks, at filling stations, and across traditional and social media.
- Other partners included the South African Union of Students (SAUS) and the Nelson Mandela Foundation, Brand South Africa, the South African National Council on Alcoholism and Drugs (SANCA), and the National Association of Student Development Professionals (NASDEV).

"The program is timely and fits well with the current challenges that are faced by our students. The attendance rates demonstrate that the program's facilitators and speakers are relevant to the targeted audience. The institutions have already started to request the project is continued. We commend the professionalism and commitment that has been demonstrated by the staff and volunteers of YFE and [Aware.org.za]. We believe that this partnership will indeed help to impact more lives in a positive way and indeed build a better South Africa."

National Association of Student Development Practitioners (NASDEV)
President Gugulethu Xaba



THAILAND

IARD first partnered with the Population and Community Development Association (PDA), Thai Asia Pacific Brewers (TAPB), and the Thai Foundation for Responsible Drinking (TFRD) in 2012 to operate the drink-drive prevention campaign, "No Drink, Safe Drive". The initiative combats drink driving and speeding, and targets April's Songkran Festival, as this is when the roads are busiest; 81% of all accidents in Thailand involve motorcycles, so there is

also special focus on these vehicles.

The partners expanded the program in 2016, and launched it in four provinces, with training courses to educate village, sub-district, and district leaders about responsible drinking. They also met with governmental agencies, community leaders, and village volunteers to further develop the program; each jurisdiction also received financial support and practical help to implement their own local campaign.



VIETNAM

Our work in Vietnam began in 2010, with a situation assessment that identified the most serious challenges and the most promising interventions; the results indicated a need for stricter drink-driving enforcement and increased public awareness of the dangers of drink driving. Our secretariat spent the next two years working in Da Nang identifying the right stakeholders and building capacity among them.

After a pilot intervention, IARD ran a campaign from December 2013 until the Vietnamese New Year, Tết, when police in the three project cities and provinces used their training to enforce drink-driving restrictions at sobriety checkpoints.

The central government expanded the work by adopting our drink-driving enforcement procedures as law in 63 provinces.

- Around 3,000 members of the armed forces took part in two local actions to promote the message against drink driving in 2013.
- In 2014, 350 government officers trained at workshops and 2,800 people attended local campaign launches.
- Other stakeholders included the National Traffic Safety Committee (NTSC), the Ministry of Industry and Trade, the Directorate for Roads of Vietnam, the Ministry of Health, and the National Economics University.

The project ended in 2015 when it transitioned to local management.

"We really appreciated what has been achieved, and are committed to continuing our partnership with IARD to improve the drink driving situation in Vietnam."

National Traffic Safety Committee Vice Chairman Khuat Viet Hung

COMMITMENT
4

Key to KPI infographics: **P** Progressive **C** Cumulative **O** Only 2017 data **L** Limited data set, figures for 2013–2017 were not available

ACTION 9: REDUCING DRINKING AND DRIVING

347^{P L}

We operated an average of 347 drink-driving prevention programs each year between 2014 and 2017.



76%^O

Selected pilots and other drink-driving prevention programs ran in 76% of the countries where we were commercially active in 2017.



11^C



We supported pilots in 11 countries between 2010 and 2017: Cambodia, China, Colombia, Dominican Republic, Nigeria, Namibia, Mexico, Russia, South Africa, Thailand, and Vietnam.

7^{C L}



In 2017, seven of the 11 signatories reported operating 40 or more drink-driving prevention programs each.

All^C

11 signatories reported that they had operated drink-driving prevention programs.

We ran drink-driving prevention programs in

82^O

countries in 2017.



COMMITMENT 4 IN ACTION

These selected case studies spotlight our various priorities, actions, and challenges in territories around the world; these national and regional programs are realized by individual companies as well as through partnerships.

SHAPING SOCIETY: ENCOURAGING ROAD SAFETY IN INDIA

India has both the second largest road network and the highest number of road accidents in the world, with over 2 million fatal road crashes in 2015. Diageo worked with the Institute of Road Traffic Education (IRTE) and the Ministry of Road Transport and Highways (IAST) to launch their “Road to Safety”¹ campaign. The program teaches traffic police officers about harmful drinking behaviors, post-crash investigation techniques, and the importance of enforcing drink-driving penalties. The initiative also donated breath-testing devices to police departments in several states, and targeted both university students and commercial vehicle drivers with information on the risks of drink driving.

The campaign has been rolled out in more than half of India’s states, reaching over 4,000 traffic officers, nearly 5,900 commercial vehicle drivers, and approximately 6,000 university students.

An associated consumer campaign was launched in 2014, using radio, television, and digital initiatives with partners including New Delhi Television (NDTV) and the Hindustan Times to spread the message about responsible drinking and road safety awareness; the campaign reached 4.4 million, 2.1 million, and 2.8 million people in 2014, 2015, and 2016 respectively, and over 300,000 people have pledged not to drink and drive. Renowned cricketer Virat Kohli and Bollywood film star Karisma Kapoor are two of the campaign’s ambassadors.

The fight against drink driving continued in India with Carlsberg’s prevention campaign “Don’t Let Cheers Turn into Tears”, in support of 2017’s Global Beer Responsibility Day (GBRD).

The initiative reached consumers through various methods, including a geo-targeted Facebook campaign that reached 846,000 people, as well as RDMs on Carlsberg India’s corporate website, and physical materials. The producer displayed drink-driving awareness banners at 26 venues across Kolkata, Bangalore, Hyderabad, and Mumbai, reaching nearly 11,000 consumers. Carlsberg’s campaign also

reached approximately 1,650 public relations professionals with promotional materials appearing at various agencies and at the Public Relations and Corporate Communications India Summit (PRAXIS).

Global Beer Responsibility Day is an annual industrywide initiative, led by AB InBev, Carlsberg and HEINEKEN.

“I’m proud to support the Road to Safety cause. So many lives are lost every year in India due to a casual approach and lack of knowledge about road safety. Initiatives like this will go a long way in educating people about road safety measures and in turn will help save lives.”

Karisma Kapoor, actress



SHAPING SOCIETY: REDUCING REPEATED DRINK-DRIVING OFFENCES IN NORTH AMERICA



Approximately 2 million drivers in the USA have three or more convictions for driving while impaired (DWI). Beam Suntory supports the National Center for DWI Courts (NCDC), a training and advocacy organization for DWI courts which targets the most dangerous repeat offenders who are responsible for the majority of impaired-driving fatalities. DWI Courts are an evidence-based model that offers individualized, long-term treatment and intense supervision for repeat DWI offenders. Research shows DWI courts that follow evidence-based practices reduce reoffending rates by 60% with DWI court participants being 19 times less likely to reoffend.

¹<https://sites.ndtv.com/roadsafety/>

PARTNERSHIP: ACTION AGAINST DRINK DRIVING IN AUSTRALIA AND NEW ZEALAND



DrinkWise Australia runs innovative drink-driving prevention campaigns and is funded by Australian alcohol producers. It partnered with ride-sharing service Uber in 2017 to discourage racing fans from drink driving by operating the “DrinkWise UberZONE” during the Melbourne Cup Carnival, which provided a safe and reliable access point for eventgoers to enter and leave the race course. The UberZONE promoted DrinkWise Australia and Uber’s messages about safe journeys and responsible alcohol consumption, with free water for attendees

while they waited in comfort for their Uber ride home.

“Partnering with Uber to provide a safe and convenient transport option for attendees was a great complement to our moderation messages around the racecourse precinct. The DrinkWise UberZONE provided discounted travel vouchers, water, food and lounges, making the transport decision an easy one for consumers,”

Simon Strahan, CEO, DrinkWise Australia.

The fight against drink driving and the effort to help people make sensible choices more broadly continued in New Zealand, where social aspects organization (SAO) Cheers! partnered with Uber to launch the “Sober Self Bot”. This virtual friend used Facebook Messenger to send drinkers sensible reminders while socializing, for example, prompting them to drink water or eat; it also reminded consumers to head home at their own pre-determined curfew and rewarded them with an Uber discount voucher for doing so. The campaign reached over 13,000 unique users, of which 52% were aged between 18 and 24 years, with 11,201 actively using Uber, and 40% repeat usage.

DrinkWise Australia’s industry contributors include several of our signatory companies: the local operating companies of AB InBev and Kirin, plus Bacardi, Beam Suntory, Brown-Forman, Diageo, and Pernod Ricard.

Cheers! Is supported by the Brewers Association of New Zealand, New Zealand Wine, and Spirits New Zealand; the members of these trade associations include the local operating companies of Asahi, HEINEKEN, and Kirin, plus Bacardi, Beam Suntory, Brown-Forman, Diageo, and Pernod Ricard.

IMPACT: PARTNERSHIPS ENCOURAGE SAFER DRIVING IN OHIO, USA

In December 2016, AB InBev launched the “Columbus City Pilot to Reduce Harmful Drinking” in conjunction with the Columbus Mayor’s Office, Columbus Department of Public Safety, Columbus Police Department, Ohio State University, the rideshare service Lyft, Columbus Public Health and the Alcohol, Drug and Mental Health Board of Franklin County (ADAMH).

The 2017 program combined increased law enforcement with safe ride offerings to prevent impaired driving. The initiative encouraged Columbus residents to plan their transport before going out by offering up to 2,000 Lyft rides to and from bars, festivals, and sporting events over 17 weeks. Columbus police increased patrols at high-risk drinking areas during the program to discourage impaired driving. The program ran from September to December on Facebook, Instagram, outdoor billboards, and radio, with 100% of the rides being claimed on all but two of the weekends. Approximately 24,000 rides were claimed in total, and the safe rides and law enforcement messages reached over 1 million people in the greater Columbus area.

“Impaired driving is 100% preventable... through support from Anheuser-Busch and our other partners, we’re starting to gain a better understanding of the challenges our city faces around drunk driving.”

Mayor of Columbus Andrew J. Ginther



ENLISTING THE SUPPORT OF RETAILERS TO REDUCE HARMFUL DRINKING

Producers and retailers have an important role to play in promoting safe drinking environments and helping prevent the harmful use of alcohol.

Our desire to ensure that our products are sold responsibly led us to work with retailers across the world in creating and launching our “Guiding Principles for Responsible Retailing”. This initiative was introduced in 2015 and highlights best practices for selling and serving alcohol in four areas:

- **Enforcing minimum legal purchase age (LPA) laws. For example:**
 - **Encouraging** retailers and venues to train their staff to identify underage youth and refuse to serve them alcohol
 - **For retail** and hospitality sales, requiring government-issued age verification (where appropriate) for anyone appearing to be under the LPA
 - **For online sales**, requiring the purchaser to show proof of age upon delivery
- **Efforts to minimize excessive drinking at retail establishments. For example:**
 - **Training servers/staff** on the signs of excess alcohol consumption, and effective intervention techniques
 - **Denying** service to clearly intoxicated patrons
 - **Avoiding** irresponsible promotions
- **Supporting road safety. For example:**
 - **Training servers/staff** on handling patrons who may be at risk of drink driving
 - **Encouraging** the use of designated drivers among customers, where relevant
 - **Providing patrons** with information about safe transport options
- **Providing a well-managed retail outlet. For example:**
 - **Implementing** an effective dispersal policy at closing time
 - **Maintaining** a positive relationship with local law enforcement
 - **Ensuring** that non-alcoholic drinks, such as water and soft drinks, are also available

All the markets where we are commercially active in North America have industry-supported initiatives, with 78% of markets in Europe, and nearly half of markets in South and Central America, and in Asia. More effort is needed for such initiatives in Africa, where only 24% of the markets have such initiatives.

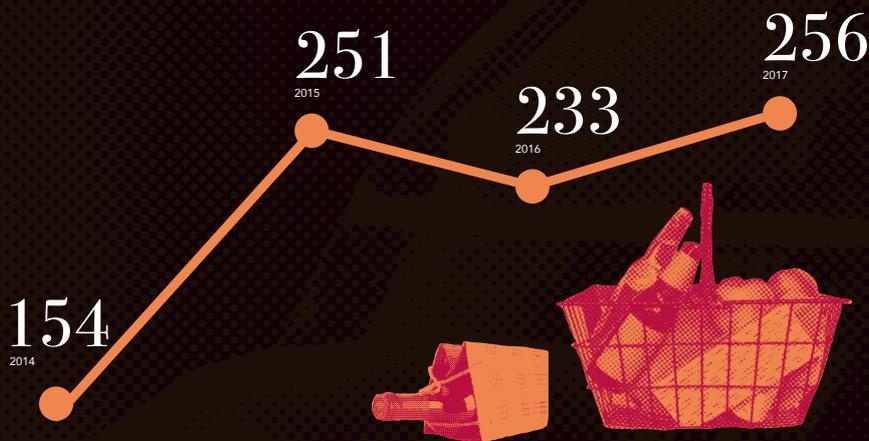
“

Codes of practice also offer industry guidance in the absence of government regulation

COMMITMENT
5

Key to KPI infographics: **P** Progressive **C** Cumulative **O** Only 2017 data **L** Limited data set, figures for 2013–2017 were not available

ACTION 10: RESPONSIBLE RETAILING



An average of **224^{PL}**

local responsible retailing initiatives were operating, per year, between 2014 and 2017.

66%^{PL}

increase in the number of local responsible retailing initiatives between 2014 and 2017.



68^{PL}

Local responsible retailing initiatives ran in an average of 68 of the countries where we were commercially active between 2014 and 2017.



COMMITMENT 5 IN ACTION

These case studies were chosen from our regional and national programs to showcase a diverse set of actions, priorities, geographies, and challenges. They reflect the many ways we work around the world, and represent programs implemented by individual companies as well as through partnerships.

SETTING STANDARDS: AGAINST MINORS BUYING ALCOHOL IN MEXICO



AB InBev and HEINEKEN have worked with two major retailers to improve their beverage alcohol sales procedures to help prevent underage youths from buying and consuming alcohol.

First, they used test-purchasing operations to calculate the percentage of stores selling alcohol to minors. The chain stores then updated the cash register software in approximately 1,200 of their stores in multiple cities including Zacatecas, to display a pop-up message reminding staff to ask for ID whenever they sold alcohol and that selling alcohol to minors is a crime. They also created a communications campaign to reinforce the message, and both chains introduced penalties for the owners of stores that sold alcohol to minors.

From May 2016 to December 2017, alcohol sales to underage youths fell by 43% in Zacatecas. The program was introduced to five other Mexican cities in 2017 and will be expanded further in the future.

PARTNERSHIP: LATVIA: "WOULD YOU SELL ALCOHOL TO YOUR CHILD?"

The Latvian Alcohol Industry Association (LANA) – whose members include Pernod Ricard – launched awareness campaigns and test-purchasing operations using underage volunteers in 2016 and 2017. LANA partnered with the Association of Hotels and Restaurants of Latvia (AHRL), Latvian Traders Association, the Latvian Food Retailers' Association (LPTA), and the Latvian Medical Association, to carry out more than 40 engagements with retailers.

The initiative asked sales staff to imagine what the consequences would be of selling alcohol to their own child and reminded them to ask for ID; one participant commented that it was "great as it emotionally reminds me how important it is for us to make sure that the buyer is of age".

In 2017, approximately 1,250 retail cash registers displayed the campaign materials, and around 400 hotels, cafes, and restaurants joined the initiative. The campaign was featured on TV, radio, and the internet, potentially reaching approximately 2 million people. After the campaign, 90% of boys and just over 65% of girls were stopped from buying alcohol without showing ID.



BEST PRACTICE: MYSTERY SHOPPING SCHEMES IN FLORIDA, USA



The research-based Responsible Retailing Forum (RRForum) partnered with distributor Breakthru Beverage Florida to offer a free mystery shopper program to specialist alcohol retailers in and around Hillsborough County in Tampa, Florida, between March and May 2017. Every licensee who volunteered for the program received a guide to best practices in responsible retailing, information on relevant laws, and other useful resources. Mystery shoppers conducted inspections on a selection of the 111 licensee volunteers; when staff did not ask for ID, their employer received feedback and an offer of free training for that employee. Around 87% and 88% of the shops successfully stopped underage youths from buying alcohol in the first and second rounds of inspections respectively. Between October and December of the same year, Breakthru Beverage Colorado and RRForum worked together to offer a similar mystery shopper program in Denver, Colorado. This time, 176 licensees took part, with underage volunteers visiting approximately 50 outlets in each round of inspections. In the first round, 90% of staff correctly checked ID, rising to 98% in the second round of inspections.

Our member companies Brown-Forman and Molson Coors are two of the companies that support RRForum.

INNOVATION: "YOU'RE ASKING FOR IT" IN THE UK

The Scottish Alcohol Industry Partnership (SAIP) worked with Police Scotland and North Lanarkshire Council, between June and September 2017, to deter adults from buying alcohol on behalf of minors. The [proxy-purchase prevention campaign](#)¹ ran across the whole of North Lanarkshire, following successful pilots in Motherwell and Wishaw in 2015, and Leith in 2016. The partners spoke to community stakeholders, including local schools and retailers, and analyzed surveillance camera footage, to understand patterns of proxy purchase activity.

A campaign ran across print, online, broadcast, and outdoor media to discourage alcohol sales on behalf of underage youths, with officers from licensing and trading regulatory bodies visiting over 300 retailers to raise awareness and distribute posters, signs, and window stickers. Fourteen "clean graffiti" stencils with warning messages were used on the streets outside shops that had previously sold alcohol to proxy purchasers to discourage any further attempts to buy alcohol for underage youths.

Local schools were also involved and held class discussions to teach pupils about the risks and dangers of proxy purchases, also hosting theatre productions about related social issues.

Police Scotland identified 14 areas of significant proxy purchase activity through the campaign, detected 38 adults making proxy purchases, and noted that reports of drinking in public areas fell by 51%, and youth disorder incidents reduced by 10%. The partners now hope to roll the campaign out across the whole of Scotland.

"The 'You're asking for it' campaign is a

successful approach that tackles a serious issue that affects our communities in Scotland. Underage drinking plays a huge part in antisocial behavior... It is vital that we continue to work together to tackle this problem and make our communities safer."

Divisional Commander for Lanarkshire Division
Chief Superintendent Roddy Irvine

"North Lanarkshire Council is pleased to be the first local authority in Scotland to roll out this effective proxy purchase campaign. 'You're asking for it' sends a very clear message to adults that buying alcohol for children is not acceptable under any circumstances and anyone who is caught faces a fine or prison sentence. It's important that communities continue to be vigilant on this issue to protect our young people from harm."

North Lanarkshire Council Leader Jim Logue

"The impact this proxy purchase campaign has is clear and the cooperation of retailers and the wider community is remarkable. Licensees are

enthusiastic about the campaign as it provides a structured and supportive approach in identifying and handling cases of proxy purchasing. Reducing alcohol sales to under 18s has a significant impact on local communities, helping to improve safety, tackle crime and improve health among young people. I believe this campaign has the potential to have an even bigger impact across Scotland."

Scottish Grocers Federation Head of Policy
and Public Affairs and SAIP Campaigns
Group Chair John Lee

Our member companies Bacardi, Diageo, HEINEKEN, Molson Coors, and Pernod Ricard are some of the participants in the Scottish Alcohol Industry Partnership (SAIP). Additionally, the Scotch Whisky Association (SWA) is also a member of the SAIP, with SWA members including Bacardi via John Dewar & Sons, Beam Suntory, Brown-Forman, Diageo, and Pernod Ricard via Chivas Brothers.



¹<http://www.youreaskingforit.com/>

OUR COMMITMENT TO THE FUTURE

We are proud of our achievements over the five years of the Beer, Wine and Spirits Producers' Commitments and, although this period has come to an end, we are all committed to continuing the spirit of the Five Commitments and the 10 action areas.

Our next immediate commitment is to finalize new, responsible, and robust standards for digital marketing that represent best practices in this rapidly changing field. The explosion of digital channels has transformed the way in which people understand and interact with us and, while we have already made significant progress in strengthening and expanding marketing codes of practice, we now have an opportunity to enhance them even further using new data, better consumer insights, and the latest technology.

As responsible producers, we want to ensure that we continue to target our advertising and marketing messages to adults of legal purchase age. And by working with others, including social media platforms, we can put in place measures and standards that help us achieve this.

There are many who share our desire to tackle harmful use of alcohol, and we want to keep moving from merely sharing an agenda to partnering towards solutions. We are keen to bring together a diverse range of stakeholders – such as governmental and non-governmental leaders, academics, and industry representatives – to discuss and agree how we as leading beer, wine and spirits producers can continue to support global efforts to combat harmful drinking. Our companies work toward a broad range of Sustainable Development Goals (SDGs), including “Goal 3: Good health and well-being” and specifically the targets to reduce NCDs (3.4), harmful use of alcohol (3.5), and deaths and injuries from road traffic accidents (3.6).

Now that this initial program has ended, we intend to convene a facilitated dialogue to help us engage with and listen to the views of key public health stakeholders and actively consider what further initiatives can be undertaken collectively to reduce the harmful use of alcohol.

We want to do more to combat harmful drinking, improve health, and contribute to sustainable development; being part of the solution is central to the long-term sustainability of our companies. We acknowledge that the development and implementation of our programs will be more effective as part of a multi-stakeholder approach, in dialogue with other stakeholders, supporting effective laws and regulations that tackle harmful drinking and coordinated with the work of WHO and other UN agencies concerned with fighting NCDs and delivering the SDGs.

We want to maximize the impact of our unique contribution in terms of consumer and retailer engagement, communication expertise, product

and packaging innovation, and data gathering.

As the CEOs of the leading beer, wine and spirits producers, we are stewards of many of the world's most popular brands and we are proud employers who take this obligation seriously. We know we can achieve more together than we can by working separately. We are committed to continuing to be responsible leaders within our industry and inviting others – from all sectors – to join us in promoting a sustainable future for everyone.

“

We want to keep moving from merely sharing an agenda to partnering towards solutions.

2017 KEY PERFORMANCE INDICATORS REVIEW

Each of the five Commitments has been broken down into a series of key performance indicators (KPIs) which, when combined, demonstrate how each Commitment is measured. This section reports in detail on each KPI, presenting performance in aggregate. The KPIs have a specific set of actions for signatory participation.

Our KPIs were initially developed with advice from Accenture Strategy. As in earlier years of the Commitments, we reviewed the KPIs in 2017 to build in improvements based on the prior year's milestones.

The data acquisition process was supported by Accenture Strategy. A summary of all the performance indicators, including definitions and scope of coverage, is available at the following web address: ProducersCommitments.org.

We engaged KPMG Sustainability to review this report and provide limited assurance as outlined in their assurance report on page 33. The data of the following indicators are included in the assurance report scope: 1a, 1b, 2a, 2b, 2c, 3b, 4a, 6a, 7a, 7b, 9a, 9b, 10a, 10b and 10c.

COMMITMENT 1: REDUCING UNDERAGE DRINKING

ACTION 1: STRENGTHENING LEGAL PURCHASE AGE (LPA) REGULATIONS

KPI 1a: Percentage of LPA regulations introduced where none previously existed, in countries where sale is legal or permitted

As of January 2017, LPA regulations were not in place in the following 11 countries where sale is legal or permitted: Bangladesh, Cambodia, the Democratic Peoples' Republic of Korea, the Democratic Republic of Timor-Leste, Djibouti, Guinea-Bissau, Haiti, Sao Tome and Principe, Sierra Leone, South Sudan, and Togo.

In 2017, two of our 11 signatory companies reported commercial activity in three of these 11 countries: Cambodia, Haiti, and Sierra Leone. LPA regulations were not introduced in any of these countries in 2017.

According to IARD's initial assessment, four countries in the Caribbean region lack rigorous LPA legislation and enforcement: Antigua and Barbuda, Grenada, Haiti and Dominica. We intended to hold a workshop to address this in 2017 and, in January that year, our secretariat IARD and the Trinidad and Tobago Beverage Alcohol Alliance (TTBAA) signed an MoU where the parties agreed to collaborate in planning and executing a Caribbean symposium on LPA legislation and enforcement consistent with global best practices and cultural characteristics of the Caribbean states.

Following an engagement process and several meetings with stakeholders, an MoU was drafted between the TTBAA and several Caribbean intergovernmental agencies. However, resistance emerged from certain NGOs. The TTBAA has maintained its position of support for the LPA symposium and is prepared to proceed with it once a regional intergovernmental host partner is identified. We still hope to finalize the working document and host the LPA symposium in 2018.

KPI 1b: Number of engagements in support of newly introduced and existing LPA regulations, e.g. government meetings, industry roundtables, and retail partnerships for age verification
In 2017, our 11 signatories reported a total of more than 248,000 engagements; this was 8% more than the total number of engagements in 2016.

An engagement is defined as an interaction with interested stakeholders to support the enforcement of newly introduced/existing LPA regulations. Examples include, but are not limited to, meetings, workshops, partnerships and roundtables. An average of more than 52,000 engagements per signatory were reported during 2017: 100% more than the average number of engagements per signatory reported in 2016. This average reflects the fact that some programs are supported by multiple signatories. The increase in the average per signatory is largely due to one SAO/TA reporting a total of 90,000 engagements in Russia in 2017, with the support of three signatories.

ACTION 2: UNDERAGE EDUCATIONAL INITIATIVES

KPI 2a: Number of education programs and number of countries in which the education programs are operating, resulting from signatories' work with NGOs, IGOs, and other interested stakeholders

In 2017, 194 education programs were operated, a decrease of nearly 18% on the 236 programs reported in 2016. Four out of 11 signatories reported an increase in the number of education programs they were operating. The 11 signatories reported an average of 39 education programs each in 2017 (down from 40 programs each in 2016) with many programs implemented by organizations supported by more than one signatory.

The number of SAO/TA-reported programs increased from 75 (32% of the total) in 2016 to 82 (42% of the total) in 2017. These shifts show a tendency of signatories moving towards fewer, more impactful programs supported by SAOs/TAs.

The number of countries in which education programs operated decreased from 73 in 2016 to 50 in 2017 (a decrease of 32%). Five signatories reported an increase in the number of countries where they were operating programs while four signatories reported a decrease in the number of countries.

The decrease in the number of education programs is largely due to a 66% decrease in Africa (32 programs in 2016 versus 11 in 2017). The decrease in the number of countries in which all programs were operating is also largely due to Africa, where either programs were discontinued or where there are gaps in reporting: programs were operating in 16 countries in Africa in 2016 versus six countries in 2017.

We had hoped to continue to build on the 2015 performance and expand education programs into more countries over the five-year period, but we encountered challenges both in sustaining multi-market programs and building capacity of local partnerships with NGOs and IGOs in many countries of commercial activity.

In collecting data for KPIs 2a–d, we have considered the degree of reach for education programs, as explained in the indicator protocols:

- Robust reach (including programs that consist of two-way means of interaction with the target recipients of the educational materials)
- Less robust reach (including programs that consist purely of disseminating educational materials passively, for example: TV campaigns, YouTube views, hardcopy media, tweeting, and Facebook posts, likes and shares)
- Robust reach and less robust reach (including programs that consist of both degrees of reach)

KPI 2b: Number of underage individuals collectively reached with education programs resulting from signatories' work with NGOs, IGOs, and other interested stakeholders

The number of underage individuals collectively reached with education programs decreased from over 10.7 million in 2016 to 6.4 million in 2017, a 41% decrease on the 2016 total number due to the discontinuation in 2017 of two signatories' large programs. The average number of underage individuals reached by each signatory through education programs increased from 1.3 million in 2016 to over 2 million in 2017: a 54% increase on the 2016 average. The top performing signatory reached 5.2 million underage individuals with their education programs in 2017.

Five of the 11 signatories reached more than 1 million underage individuals with their education programs in 2017 (in 2016 seven signatories reached more than 1 million). A further six signatories reached an average of more than 223,000 underage individuals each with their education programs in 2017.

Hardcopy media was the most widely used channel to reach underage individuals with education programs across all regions in 2017 with 73% of underage individuals being reached via this channel (versus face-to-face interactions being the most widely used channel in 2016). The increase in the proportion of individuals reached by hardcopy media is largely due to one SAO-reported program in the USA in 2017 which reached over 3 million underage individuals via this channel. The second most used channel was face-to-face interactions with 17% of the reach, down from 44% in 2016, followed by social media with 8% of the reach, and then age-gated websites with 2%.

KPI 2c: Number of influencers (parents, teachers, other adults, community leaders) collectively reached with education programs and materials resulting from signatories' work with NGOs, IGOs, and other interested stakeholders

The number of influencers collectively reached with education programs increased from 9.6 million in 2016 to 25.9 million in 2017: a 170% increase.

Ten out of 11 signatories reported increases in the number of influencers reached with their education programs in 2017. The average increase across these ten signatories was 3.5 million influencers. The increase in the number of influencers collectively reached is largely due to one signatory who reported a program in the United States which significantly increased their reach in 2017.

A higher number of influencers were reached in three regions in 2017: North America, Europe, and Australasia. The largest increase was in North America, where the number of influencers increased nearly elevenfold – rising from nearly 2.2 million in 2016 to over 23.3 million in 2017 – because of a single program in the United States.

Social media was our most widely used platform in reaching influencers with education programs across all regions in 2017, with 77% of influencers reached through this channel as compared to 53% in 2016. Our second-most used channel for reaching influencers with education programs was hardcopy media, with 16% of the reach, followed by face-to-face interaction (4%), and then age-gated websites (3%).

KPI 2d: Number of unidentified persons collectively reached with education programs and materials resulting from signatories' work with

NGOs, IGOs, and other interested stakeholders

The number of unidentified persons collectively reached with education programs more than doubled, rising from 95 million in 2016 to 198 million in 2017. The five top performing signatories reached an average of 82 million unidentified persons each with their education programs in 2017: 19% more than the five top performing signatories in 2016.

Seven out of the 11 signatories reported increases in the number of unidentified persons reached with their education programs from 2016 to 2017. The average increase across these seven was 20.6 million unidentified persons and the median increase was 13.8 million unidentified persons; this rise was largely due to one signatory program in Canada and one SAO/TA program in Brazil, both of which have substantially increased their reach versus 2016.

We observed growth in the number of unidentified persons reached in six regions: Africa, North America, South and Central America, Asia, Australasia and Russia. The largest increase was in North America which rose from 32.3 million in 2016 to 76.3 million in 2017.

Media impressions – measured audiences for TV and radio broadcasts, and readers of printed materials, including posters, billboards, newspapers, leaflets – remained our most widely used channel to reach unidentified persons with education programs across all regions in 2017 (73%), followed by social media (26%). The highest percentage of unidentified persons reached by social media impressions was in North America (51%), which is a large change from 2016 when only 6% were reached via this channel.

COMMITMENT 2: STRENGTHENING AND EXPANDING MARKETING CODES OF PRACTICE

ACTION 3: ENSURING THAT ADULTS MAKE UP AT LEAST 70% OF OUR ADVERTISING AUDIENCE

KPI 3a: Collective percentage of compliant impressions across print, broadcast, and digital resulting from signatories' advertising, or adherence to no-buy-list, based on the best available data, as measured by an independent agency

KPI 3b: Number of countries in which actions of signatories result in data being made newly available on the collective percentage of compliant impressions across print, broadcast, and digital, resulting from the signatories' advertising

Data from 17 countries has been made newly available and accounted for 16% of the total number of countries in which the signatories were commercially active worldwide. Ebiquty conducted the review of the signatories' digital marketing activity by measuring how well they are performing against the stated aim of targeting and reaching audiences comprising of at least 70% viewers who are of legal purchase age.

The data for these KPIs was collected in Q4 2015 and Q1 2016 and the full results are available at: <http://www.producerscommitments.org/wp-content/uploads/2018/06/70-30-Compliance-in-Digital-Marketing-in-17-Countries-2017.pdf>

ACTION 4: DEVELOPING DIGITAL MARKETING GUIDELINES

KPI 4a: Publication of the Digital Guiding Principles

This KPI was achieved in September 2014 when the Digital Guiding Principles (DGPs) were published. For more information on the DGPs, see page 10.

KPI 4b: Percentage of signatories complying with the DGPs within all countries in which they are commercially active

In 2016, the signatories and IARD initiated a process for monitoring compliance with the Digital Guiding Principles. IARD, in collaboration with the World Federation of Advertisers (WFA) and the European Advertising Standards Alliance (EASA) blindly selected 20 countries for data collection: Australia, Brazil, Canada, the Czech Republic, Chile, Colombia, France, Germany, Hungary, Italy, Japan, Mexico, the Netherlands, New Zealand, Peru, Poland, Portugal, South Africa, Spain and the U.K. We then selected a random sample of 14 countries within these 20 for analysis (Brazil, the Czech Republic, New Zealand, Peru, Poland and Portugal were not selected) and initiated a pilot to test our methodological approach and the capacity of partners to monitoring the DGPs.

Although the results of the pilot exercise were inconclusive, together with WFA, EASA and self-regulatory organizations, we updated our guidance to companies on DGP implementation and are committed to assessing our compliance with the DGPs in these 14 markets in 2018.

ACTION 5: INVOLVING THOSE OUTSIDE THE INDUSTRY IN THE SELF-REGULATORY PROCESS

KPI 5a: Percentage of countries in which signatories are commercially active, and in which non-industry participation is established by signatories' actions in existing self-regulatory processes

Non-industry participation has been established by signatories' actions in existing self-regulatory processes in 50% (54 out of 108) of countries in which signatories are commercially active in 2017. Cambodia added a new, internal self-regulatory process which is described on page 12.

ACTION 6: MAKING RESPONSIBLE MARKETING CODES A CONTRACTUAL OBLIGATION

KPI 6a: Percentage of signatories' contracts with advertising agencies that include clauses for the agency to comply with the responsible alcohol advertising codes for signatories' product

In 2017, nearly 97% of our signatory companies' contracts with advertising agencies included clauses for the advertising agencies to comply with the responsible alcohol advertising codes for our products: an increase of over six percentage points compared to 2016. Data for this indicator was reported by 10 of the 11 companies in 2017.

Seven of our 10 signatories who reported data for this indicator in both 2016 and 2017 achieved improvements in performance with an average increase of over seven percentage points per signatory; the other three signatories reported 100% in both years. One company has not reported any external agency contracts during the five-year period.

COMMITMENT 3: PROVIDING CONSUMER INFORMATION AND RESPONSIBLE PRODUCT INNOVATION

ACTION 7: RESPONSIBLE PRODUCT INNOVATION

KPI 7a: Percentage of product ranges that do not contain excessive amounts of added stimulants

KPI 7b: Percentage of signatories' product brands that are marketed as delivering energizing or stimulating effects

The two KPIs on responsible product innovation showed very high compliance rates over the first three years (nearly 100%) as we reported in our 2015 report on stimulants in alcohol beverages¹; changes in performance are therefore unlikely using the current monitoring methodology and thus additional annual surveys have not taken place. The Survey and previous Commitments progress reports have outlined internal company codes of practice and monitoring practices, such as the Pernod Ricard Code for Commercial Communications we showcased in the [2016 Producers' Commitments report](#)².

ACTION 8: PROVIDING CONSUMER INFORMATION

Our companies chose one of two ways to report results on this action: as a percentage of brands or a percentage of volume. For this reporting cycle, all 11 of our companies submitted results for KPI 8a or KPI 8b.

When we set out this action, we acknowledged that changing our packaging would follow the business cycles and could take up to five years. So, while we have made some progress already, there will be even more over the next few years as we refresh and redevelop our packaging.

KPI 8a: Percentage of brands carrying one or more of the symbols and/or equivalent words and the address of a website containing additional information, including alcohol product strength and reminders about the dangers to health of excessive drinking

Seven signatories elected to submit data under KPI 8a (versus KPI 8b), collectively reporting that nearly 48% of their brands carried both symbols and/or equivalent words as well as the address of a dedicated website.

Three signatories reported that more than 50% of their brands carried both one or more of the symbols and/or equivalent words as well as the address of a dedicated website; up from two signatories in 2016. Six of the seven signatories reported that 12% of their brands were carrying only symbols and/or equivalent words in 2017, down from 16% across seven signatories in 2016. Three signatories reported more than 25% of their brands carried only symbols and/or equivalent words in 2017, down from five in that bracket in 2016.

¹<http://www.iard.org/wp-content/uploads/2018/09/2015-Stimulants-Survey-Report.pdf>

²<http://www.iard.org/wp-content/uploads/2018/09/2016-Producers-Commitments-report.pdf>

KPI 8b: Percentage of volume of products manufactured carrying one or more of the symbols and/or equivalent words, and the address of a website containing additional information, including alcohol product strength and reminders about the dangers of excessive drinking on health

For this reporting cycle, four of our signatories elected to report under KPI 8b (versus KPI 8a). The result for this KPI increased from 11% in 2016 to 14% in 2017, including one signatory unable to identify the volume of its production with both symbols and a website, thus reducing the overall calculation; this one company is only able to identify its volume of production with symbols or equivalent words. Three of the signatories reported more than 65% of their volume with both symbol and website, including one with over 95%.

COMMITMENT 4: REDUCING DRINKING AND DRIVING

ACTION 9: REDUCING DRINKING AND DRIVING

KPI 9a: Number of countries in which selected drinking and driving prevention pilots are rolled out

Promoting “Автотрезвость” (“Auto Sobriety”) in Russia

Our secretariat, IARD, partnered with federal and local government, NGOs, and the Moscow Automobile and Road Construction State Technical University (MADI), between 2011 and 2017, to develop a new educational module that raises awareness among learner drivers about the safety risks and legal consequences of driving while intoxicated. The 1.5-hour “Auto Sobriety” lesson used tools, including digital devices, that allowed students to virtually experience how alcohol affected their reactions; the lesson also featured video clips, discussions, and lectures.

Recent data indicated that the previous upward trend of road crashes has been reversed, with alcohol-related road crash fatalities decreasing by 1% for the period 2016–2017. “Auto Sobriety” was recognized as a good practice by the Ministry of Health and the Ministry of Education, while the Chief Road Police Department of the Ministry of Internal Affairs commented that it “can be recommended for all Russian regions”; the program will be further developed and used as part of the country’s “Road Safety Strategy 2018-2024”.

Curbing Drink Driving in the Dominican Republic

Between 2015 and 2017, our secretariat IARD brought together a range of stakeholders from government, the private sector, and civil society to support the introduction and enforcement of a new legal blood alcohol concentration (BAC) law for drivers. We also encouraged the establishment of a new lead agency to address road safety issues: The National Institute for Transit and Land Transportation (INTRAN).

We trained 20 police officers to use the 40 “Intoximeter” breath-testing devices that we donated to INTRAN, and to operate high-visibility drink-driving checkpoints which will become active later in 2018. We will measure the impact of this program with a post-intervention survey that examines how the knowledge, attitudes, beliefs, and behaviors of Dominican drivers have changed since we launched our initiative.

IMPROVING BREATH TESTING PRACTICE IN NAMIBIA

Our secretariat, IARD, collaborated with the Self-Regulating Alcohol Industry Forum (SAIF) to implement the “Driving Under the Influence of Alcohol” program, between 2015 and 2017, which aimed to help reduce drink driving through public educational messages and through improved enforcement regulations and detection methods.

Following a court challenge in 2013, officers were required to prove drink-driving offences with time-consuming blood samples rather than breath-testing devices. In 2016, the Namibian Standards Institute (NSI) approved the “Dräger Alcotest 7110 MKIII Evidential” breath-testing device for use in law enforcement; our work focused on helping to introduce these devices and Dräger trained seven traffic-police officers to provide refresher training for their fellow officers throughout the country.

Between August 1, 2017 and January 31, 2018, traffic officers tested over 153,000 drivers and found that 1% tested positive for alcohol consumption. The police’s high-visibility enforcement deterred drivers from drinking, and the percentage of all drivers arrested for driving while intoxicated fell from 7% in 2016 to 1% in 2017. SAIF is determined to keep the program running through public-private partnerships while Namibia’s current financial crisis limits the government resources of the country’s law enforcement agencies.

Towards safer roads in Cambodia

Between 2015 and 2017, our secretariat, IARD, partnered with the Cambodian Red Cross (CRC) to implement a drink-driving prevention program that encouraged road users to behave more responsibly. Many organizations contributed to these efforts, and the number of alcohol-related road crash fatalities fell by 34% during the program’s timeframe, while serious injuries from such crashes dropped by 39%. A survey conducted at the end of 2017 indicated that 36% of respondents were aware of the BAC limit for drivers.

There was also a drastic decline in alcohol-related road crashes during major holiday seasons, as 2017 traffic police data showed a 31% decline in crashes during the Lunar New Year, a 21% decrease during the Khmer New Year, a 50% reduction during Pchum Ben, and a 69% reduction during the Water Festival: all compared to 2014. The National Road Safety Committee (NRSC) expressed a desire to continue the program and work with local alcohol producers to keep spreading drink-driving prevention messages.

“Drive Alcohol-Free” in Mexico

The Foundation for Social Research AC (FISAC) worked with local producers and importers, between 2011 and 2017, to develop a program that strengthened law enforcement, raised awareness of the dangers of drink driving, and changed driving behaviors through education. Between 2014 and 2017, the number of alcohol-related traffic collisions fell by 33% as reported by the National Commission Against Addictions (CONADIC).

CONADIC is now working together with industry, civil society, and other government agencies to implement the program throughout Mexico.

Detailed information about all these programs can be found in the 2017 drink-driving report, to be published on our Producers’ Commitments website.

KPI 9b: Number of drinking and driving prevention programs outside the pilots referenced in KPI 9a

All 11 signatories reported drink-driving prevention programs outside of those reported for KPI 9a, for a total of 336 programs across 82 countries (compared to 88 countries in 2016). The average number of programs per company increased to 55 (from 44 in 2016). Seven of the 11 signatories reported operating 40 or more programs each, up from four signatories reporting this in 2016.

In 2017, 35% of all the drink-driving prevention programs conducted by our companies were conducted in North America. The second-highest number of programs was in Europe (nearly 25%), followed by Asia (more than 15%). The overall number of drink-driving prevention programs in Africa has decreased by nearly 20% to 25, whereas the number of initiatives in South and Central America increased by 20% to 42 in 2017.

COMMITMENT 5: ENLISTING THE SUPPORT OF RETAILERS TO REDUCE HARMFUL DRINKING

In 2017, our goal was to promote our Guiding Principles (see page 24) at high-profile global or regional retailer events. IARD made a presentation on our behalf in August 2017 at the International Retail Monopoly Conference; this is an invitation-only meeting held every other year which includes representatives from the Nordic Countries, Canadian Provinces, and the US jurisdictions that have a form of a government-owned system for wholesaler and/or retail of beverage alcohol.

ACTION 10: RESPONSIBLE RETAILING

KPI 10a: Guiding Principles for Responsible Retailing of Beverage Alcohol developed and published

KPI 10b: Responsible retailing initiative launched in public forum

These two KPIs have been achieved in prior years, therefore they were not assessed for 2017. See the Producers’ Commitments “[2015 Progress Report](#)”¹ for details.

KPI 10c: Percentage of markets in which signatories are commercially active in which local responsible retailing initiatives to support or advance the guiding principles have been rolled out.

Local responsible retailing initiatives have been introduced in 59 of the 108 (55%) countries where our signatory companies are now commercially active, compared to the 65% of 110 countries reported in 2016. A total of 256 local responsible retailing initiatives were reported in 2017, compared with 233 in 2016.

These initiatives can be in support of any and all of the four Guiding Principles. In 2017, 154 of these programs (60%) were in support of Principle 1, followed by 127 (50%) in support of Principle 2, 91 (36%) in support of Principle 3, and 108 (42%) in support of Principle 4.

¹<http://www.iard.org/wp-content/uploads/2018/09/2015-Producers-Commitments-report.pdf>

ABOUT THIS REPORT

Principles

We have sought to ensure that all the information given in this report is accurate, complete, and sufficiently detailed to allow readers to make a fair assessment of our performance between 2013 and 2017. The report covers positive achievements as well as areas where the desired improvement was not attained.

Signatory Updates

Asahi Group Holdings became commercially active in Europe in 2017 and has reported on markets in Europe for the first time in this report, having acquired several brands following the disbursement of SABMiller including Pilsner Urquell from the Czech Republic, Poland's Tyskie and Lech, Hungary's Dreher, and Romania's Ursus. AB InBev acquired the majority of SABMiller's brands as reported in 2016.

Trade Organizations & Social Aspects Organizations

We believe that collaboration is critical to success. The vast majority of our reported actions are carried out in partnership with industry colleagues and with stakeholders from civil society organizations, NGOs,

governments, and the public health community. The data in this report captures not only the efforts of individual companies in the markets where they are commercially active, but also those led through the collective industry actions of IARD, trade associations, social aspects organizations (SAOs), and other third-party organizations and partners. In the context of the Commitments, an SAO is an organization specifically designed to promote responsible drinking and provide information to consumers and the general public. As with previous annual progress reports, IARD acted as a data collection hub for trade associations and SAOs worldwide. Data collected by IARD was reported to Accenture Strategy as part of the reporting and validation process.

More than 75 organizations from 51 countries contributed to this report and collaborated with signatories to collectively implement the Commitments.

Reporting and Assurance

Our KPIs were initially developed with advice from Accenture Strategy. Following the 2016 annual report, we sought Accenture's advice on improving the protocols and definitions associated with our KPIs to refine the consistency of reporting and

minimize ambiguity. The primary adjustments in 2017 were KPIs 3a/3b and 4b, explaining the monitoring methodologies for advertising placement in digital as well as the digital guiding principles (DGPs).

To develop this report, we all submitted comprehensive documentation of our 2017 actions and engagements in a data collection process monitored by Accenture Strategy. We engaged KPMG Sustainability to review this report and provide limited assurance as outlined in their assurance report on page 33. The data of the following indicators are in scope of the assurance of KPMG Sustainability for the 2017 Progress Report: 1a, 1b, 2a, 2b, 2c, 3b, 4a, 6a, 7a, 7b, 9a, 9b 10a, 10b, and 10c.

After a rigorous review process, and with the support of Accenture Strategy and KPMG, we are confident that this report creates a comprehensive picture of the range and scope of the local and global activities underway to deliver the Commitments, and the overall progress made between 2013 and 2017. Detailed descriptions of our 2013–2017 performance and the indicator protocols appear in this report, and are also available at the following web address: www.iard.org/welcome-to-iard/compliance-kpi/

ASSURANCE REPORT OF THE INDEPENDENT AUDITOR

To the readers of 'Combating Harmful Drinking: 2017 Progress Report & Five-Year Summary of Actions'

Our conclusion

We have reviewed the information for the indicators 1a, 1b, 2a, 2b, 2c, 3b, 4a, 6a, 7a, 7b, 9a, 9b, 10a, 10b and 10c (hereafter 'The Selected Indicators') as presented in the section '2017 Key Performance Indicator Review' in 'Combating Harmful Drinking: 2017 Progress Report & Five-Year Summary of Actions' (hereafter 'The Report') of the International Alliance for Responsible Drinking Inc. (hereafter: IARD) based in Washington D.C., the United States of America. A review is aimed at obtaining a limited level of assurance.

Based on our procedures performed, nothing has come to our attention that causes us to believe that The Selected Indicators are not prepared, in all material respects, in accordance with the applied reporting criteria as disclosed in the section 'About this Report' (page 32).

Basis for our conclusion

We have performed our review on The Selected Indicators in accordance with Dutch law, including Dutch Standard 3000A 'Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten)' (assurance engagements other than audits or reviews of historical financial information (attestation engagements)).

This review engagement is aimed at obtaining limited assurance. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of The Selected Indicators' section of our report.

We are independent of the International Alliance for Responsible Drinking Inc. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the IARD Board of Directors for The Selected Indicators

The Board of Directors is responsible for the preparation of The Selected Indicators in accordance with the internally developed criteria as described in the section 'About this Report' (page 32). The IARD Board of Directors is also responsible for such internal control as it determines is necessary to enable the preparation of the indicators that are free from material misstatement, whether due to fraud or error.

Our responsibilities for the review of The Selected Indicators

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Procedures performed in an assurance engagement to obtain a limited level of assurance are aimed to determine the plausibility of information and are less extensive than a reasonable assurance engagement. The level of assurance obtained in assurance engagements with a limited level of assurance is therefore substantially less than the level of assurance obtained in an audit engagement.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of The Selected Indicators. The materiality affects the nature, timing and extent of our review procedures and the evaluation of the effect of identified misstatements on our conclusion.

We apply the 'Nadere voorschriften kwaliteitssystemen' (Regulations on quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.

Our review engagement included, among others, the following procedures:

- Evaluating the appropriateness of the reporting criteria used and their consistent application, including the evaluation of the results of the stakeholders' dialogue and the reasonableness of estimates made by management and related disclosures in The Selected Indicators;
- Interviewing management responsible for the responsible drinking strategy and policy;
- Interviewing relevant organizations and staff responsible for providing the data related to The Selected Indicators, carrying out internal control procedures on the data and consolidating the data related to The Selected Indicators;
- Visits to two signatories in the United States, aimed to validate source data and to evaluate the design and implementation of internal controls and validation procedures at local level;
- An analytical review of the data and trends;
- Reviewing relevant data and evaluating internal and external documentation, based on limited sampling, to assess the accuracy of The Selected Indicators;
- Reviewing relevant internal and external documentation, on a limited test basis, in order to determine the reliability of The Selected Indicators.

We communicate with the IARD Board of Directors regarding, among other matters, the planned scope and timing of the review and significant findings, including any significant findings in internal control that we identify during our review.

Amsterdam, 10 September 2018

KPMG Sustainability,
Part of KPMG Advisory N.V.

W.J. Bartels, Partner

ABOUT IARD

IARD is a secretariat to the Producers' Commitments. The signatories to the Commitments have delegated specific tasks to IARD that require coordination at global level.

IARD focuses on:

- Encouraging industry collaboration
- Convening multi-stakeholder conversations to promote policy dialogue
- Promoting evidence-based policy actions with transparency

As secretariat for the Producers' Commitments, IARD:

- Coordinates reporting on the Commitments with KPMG and Accenture Strategy
- Manages pilot programs (particularly in drink driving)
- Coordinates with international partners (for example, World Federation of Advertisers)
- Commissions analysis of marketing compliance (for example with Ebiquity and EASA)
- Convenes experts (for example, researchers) and partners (for example, retailers)
- Conducts analysis on policy and programs and produces policy tools and good practice guides

Feedback

We welcome your feedback. Please contact us at: info@producerscommitments.org

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