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(Płodowemu Zespołowi A...*

*Dlaczego w ciąży powinnas
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Labelling, Informing, Marketing

– Commitment Report

2014

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Foreword

By Sue Clark



Managing Director SABMiller Europe

In Europe, beer has a long history at the heart of social gatherings and celebrations and is the natural choice for the moderate drinker. It adds to the quality of life and we want people to continue enjoying beer responsibly. However, we know that as a business we have to earn the right to trade in the communities we serve. It's not enough just to brew great beers, we also have to reflect the values and concerns of the societies in which we operate.

It's a simple equation: we can only grow our business in the long term if our brands add value to the lives of consumers and society – but this in turn means addressing the burden that a small minority of consumers place on society by drinking irresponsibly. That is why discouraging irresponsible drinking is a key pillar of our sustainable development framework and why we've translated it into targeted actions across our key markets in partnership with civil society groups, enforcement authorities and our industry colleagues.

In our first monitoring report nearly two years ago, we reviewed progress against our commitment to place Responsible Drinking

Messages (RDMs) on our packaging and in commercial communications in our European markets by 31 December 2011. Results were encouraging and RDMs are now standard practice in helping to remind consumers that our beer is not for minors under the legal drinking age, for drivers or for pregnant women.

In the following pages you'll see how we've continued to embed these practices and broadened our efforts to increase awareness among consumers by further promoting the pregnancy RDM.

Given that we want our beers to be enjoyed responsibly by adult consumers, we do not target our advertising at underage drinkers: indeed to do so would not make business sense, either commercially or ethically. Rather, we aim to ensure that our marketing across the various channels we use is aimed at the right audience and that access by minors is restricted. To this end, we've made a commitment that any media placements should use channels or slots with an adult audience of at least 75% and that our digital communication platforms should be secured with an age check. You'll see from this report how we've met that commitment.

Irresponsible drinking is a complex problem and one which cannot be solved by a single company acting alone. In promoting moderation, we believe that our actions should complement those of other key stakeholders in government and civil society. For this reason, we collaborate with a large number of organisations, institutions and experts at national and EU level. This partnership approach provides an effective framework for action and has helped to yield tangible results.

The following report shows how these results have been achieved, furthering our aim of a sociable world in which our beers are developed, marketed, sold and consumed with high regard for the well-being of individuals and society. In the spirit of partnership, we're open to any suggestions for improvement.

Executive summary

We have been involved in the work of the EU's Alcohol and Health Forum (EUAHF) since its inception in 2007 and we are among the leading contributors to the commitment process. We believe that the forum has helped to stimulate real on-the-ground actions which are making a difference; for this reason it is the best framework to address harmful drinking at EU level.

This monitoring report examines our compliance with our latest set of commitments to the forum, which focused on communicating responsibility messages (section 2 of this report), raising the adult audience threshold (section 3) and applying access restrictions to our on-line platforms to limit them to those of legal drinking age (section 4). The internal processes that we followed to assess our compliance are provided in the annex to this report.

The process of making and complying with commitments is a learning process and section 5 of this report draws out some of these lessons and explains where we intend to focus our efforts in the future.

We once again commissioned KPMG Sustainability¹ to review our assessment of compliance with each of the commitments listed in the table below. This third party verification is an important additional check which helps to ensure that we approach the commitment process with the required rigour.



¹ KPMG Sustainability is part of KPMG, a global network of professional services firms providing audit, tax and advisory services.

What we committed to	What we achieved	
Responsible drinking messages (RDM)		
Ensure that 100% of our labels and packaging carry an appropriate RDM	We achieved near full compliance with our commitment. During our compliance monitoring we identified two small instances of non-compliance: In Hungary we found non-compliant labelling on a product brewed under licence for which we are not in a position to change the label. 17hl of Grolsch supplied into the UK was found to be non-compliant.	
Ensure that all our commercial communications meet the guidelines of our Policy on Commercial Communications on RDM placement and content.	We moved from a compliance level of 94% in 2010 to virtually full compliance (above our 98% target) in. Our Sales and Marketing Compliance Committees found no significant instances of non-compliance across all commercial communications monitored.	
Place a Pregnancy RDM on at least one brand or brand variant or on a packaging type per market.	For every market in scope at least one of our brands or brand variants carried a responsibility messages about drinking during pregnancy thus achieving full compliance.	
Implement at least one communication campaign or awareness raising initiative on pregnancy per country in scope	Communication campaigns about the risk of drinking while pregnant were put in place across each market in which we operate thus achieving full compliance.	
Achieve 30% spontaneous awareness among surveyed consumers for any SABMiller RDM.	We achieved 31% spontaneous awareness of any SABMiller RDM, narrowly exceeding our objective.	
Achieve 10% spontaneous awareness among surveyed consumers for the pregnancy RDM.	We achieved 11% spontaneous awareness of the pregnancy RDM, narrowly exceeding our objective.	
Adult Audience Threshold		
To move to an adult audience threshold of 75/25 for all media placements across radio, websites, print and TV	In 2013 all of our media placements complied with the 75/25 threshold according to third-party ex-post data.	
Digital Age Gating		
Ensure that 100% of all SABMiller owned digital commercial communication platforms are secured by an age check	From a challenging position at mid-year point we put additional processes in place in order to significantly improve performance and achieve a high level of compliance across all of our digital platforms by the end of 2013.	Near full compliance

Introduction

SABMiller is one of the world's largest brewers with a significant presence in Europe. We have nearly 10,000 people employed directly in the EU across 17 brewing locations and our business supports 175,000 jobs across our supply and distribution chains. Our business is focused on a portfolio of well-loved local brands and we are committed to making a difference in the communities that we serve.

While the vast majority of our consumers are responsible people drinking moderately, those who drink irresponsibly do damage to themselves, those around them and the communities they live in. Curbing irresponsible consumption is therefore our top priority as articulated in our 6 company principles on alcohol which help to guide every decision that we make. These principles are:

- Our beer adds to the enjoyment of life for the overwhelming majority of our consumers.
- We care about the harmful effects of irresponsible alcohol consumption.
- We engage stakeholders and work collectively with them to address irresponsible consumption.
- We believe that alcohol consumption is for adults and is a matter of individual judgement and accountability.
- Information provided to consumers about alcohol consumption should be accurate and balanced.
- We expect our own employees to aspire to high levels of conduct in relation to alcohol consumption.

In the following pages you will see how we performed against the voluntary commitments that we made to the EU Alcohol and Health Forum (EUAHF) in 2012.

1.1 Background

The EU's Alcohol and Health Forum was established in 2007 and brings together all relevant stakeholders (producers, consumers, advertisers and policymakers) to increase action through shared initiatives to tackle alcohol abuse. Since 2007 we have made numerous commitments² through the forum, ranging from consumer engagement programmes, staff training on responsible marketing to information campaigns on drinking and driving. This has been a challenging process but has ensured that our efforts to tackle irresponsible drinking are ambitious, measurable and stand up to scrutiny. The commitment process has also catalysed our own internal approach to responsibility and has led to the adoption of internal codes on commercial communications³ and on consumer information⁴.

This report represents another important step forward in the evolution of these commitments, which are part of our broader corporate commitment to putting responsibility at the heart of what we do.

² All commitments can be downloaded from the EU Alcohol and Health Forum's [website](#)

³ SABMiller Policy on Commercial Communications (POCC) 2012

⁴ SABMiller Guidelines on Responsible Drinking Messages

1.2 Our Commitments

In response to the priorities outlined by stakeholders participating in the EUAHF and to the needs identified at national level in our key markets, our latest set of commitments focused on:

Providing balanced and accurate information to consumers through Responsible Drinking Messages on packaging and in our communications.

As a company we have promoted the use of Responsible Drinking Messages (RDMs) on packaging and in commercial communications to provide helpful reminders to consumers and to encourage responsible behaviour. These are complemented by additional information on our websites. Placing these messages in the channels we use to communicate with our customers helps us to underline the importance of drinking responsibly. They are and will remain a key element of our efforts to reduce irresponsible consumption.



www.talkingalcohol.com is a hub for information on responsible drinking attracting more than 400,000 annual visitors.

Restricting the ability of minors to access marketing content by ensuring that marketing channels respect a 75% Adult Audience Threshold.

Our beers are for the enjoyment of adult consumers. Our brands are not marketed to or sold to consumers below the legal drinking age. As a company we strive to ensure that marketing content and information on our brands cannot be accessed by underage consumers. In 2013 we increased the threshold by which we select marketing channels from a 70% adult audience threshold to a 75% threshold, working with our local marketing agencies to ensure that we are selecting only those that appeal to an adult audience and abstain from those that do not.

Limiting online access to adult consumers through Digital Age Verification.

The channels that consumers use to learn about and engage with our brands have changed with the growth of the internet and social media. This shift has brought with it a new set of technological challenges for us in terms of limiting access to an adult audience. To address some of these challenges, we committed to ensuring that our online content is protected by age gating so that we are verifying that users are of the required legal age.

Responsible drinking messages

Consumers need accurate and balanced information in order to make sensible, educated choices. Responsible Drinking Messages (RDMs) on packaging and in commercial communications are a key delivery mechanism for this information. Our responsible drinking messages are designed to encourage positive behaviour change in particular in relation to drink driving, under age consumption and consumption by pregnant women.

These messages are:

- Don't drink and drive
- For people over [legal drinking age] only
- Pregnant women should not drink alcohol

These responsibility messages are part of a larger communication mix through which awareness, understanding and behaviour change on irresponsible alcohol consumption can be enhanced. For example, our RDMs are complemented by our www.talkingalcohol.com platform which provides consumers with a resource for accessing a wealth of information about responsible drinking, including educational and parenting tools and access to sources of help and support. This platform is a hub for all our alcohol responsibility based consumer communications and attracts more than 400,000 annual visitors.



'Don't Drink and Drive' RDM.



'For people over 18 only' RDM.



'Pregnant women should not drink alcohol' RDM.



2.1 SABMiller Policy

In addition to local laws and regulations, our companies have to adhere to our Policy on Commercial Communications (POCC) and the accompanying implementation guidelines introduced in 2013. These provide our companies with a detailed reference point to guide decisions on the message that should be used and how they should be applied to ensure that our responsibility standards are maintained across all markets and all media.

Our RDMs appear on or in our commercial communications as well as on product packaging and must adhere to detailed content, placement and design standards as well as respecting the following principles:

- RDMs should be accurate, balanced and meaningful with regard to discouraging irresponsible drinking in the local context.
- RDMs should be clearly visible or audible in the particular medium in which they are used.
- Statements should avoid the generic e.g. 'Drink responsibly' and concentrate on discouraging a) drinking and driving b) under-age consumption c) drinking during pregnancy.
- RDMs should be included on all primary packaging and commercial communications - except permanent points of sale, consumer novelty items (pens, t-shirts) and digital advertisements where both dimensions of the display unit are smaller than 8 pixels.
- RDMs should be conspicuously placed i.e. should occupy approximately 10% of advertising space.

These should be applied to all commercial communications which is defined as all media (including digital media, the internet and text), packaging, brand promotion, product placement, merchandising, point of sale materials and brand sponsorship.



O BEVI O GUIDI
www.alcolparlamiome.it

Nastro Azzurro dal 1963 è in viaggio per raggiungere un gusto unico ottenuto grazie all'eccezionale di ingredienti come il mais "Nostrano" selezionato e coltivato in esclusiva sotto il sole italiano. 50 anni di impegno per raggiungere quel gusto tutto mediterraneo che ha conquistato il mondo.

'Don't Drink and Drive' RDM on a commercial communication.



Only for people over [legal drinking age]' RDM.



2.2 Our RDM Commitments

In 2010 we made the commitment through the EU Alcohol and Health Forum to ensure the placement of responsible drinking messages on all primary packaging labels and in all marketing communications, where not already mandated by law or self-regulatory agreements. This included ensuring that responsibility messages are conspicuously placed and respect the guidelines laid out in our Policy on Commercial Communications (POCC).

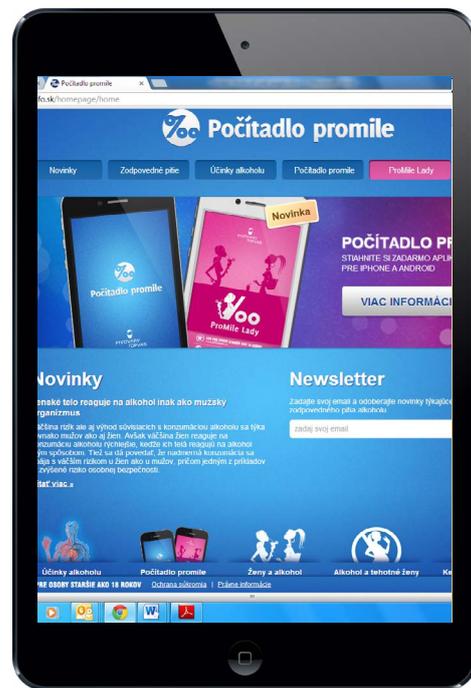
We achieved a high level of compliance with this commitment in 2010 but identified some areas for improvement, which we addressed through the following commitments submitted to the EU Alcohol and Health Forum in 2012⁵:

- Ensure that 100% of our labels and packaging carry an appropriate RDM.
- Target outstanding areas for improvement such as clarity and visibility to ensure that all our commercial communications meet our POCC guidelines on RDM placement (increase qualitative RDM compliance to 98%).
- Implement pregnancy responsibility messages on at least one brand or brand variant or on a packaging type per country.
- For each country in scope of the commitment, put in place a communication initiative on the risks of drinking while pregnant.

In addition to these commitments on placing and the promotion of RDMS, we wanted to ensure that we measured effectiveness. There are two measures that can be used to do this: one is prompted awareness, whereby a consumer is asked if they recognise a particular message, and spontaneous

awareness which asks respondents to recall a message without the aid of any prompts. We opted for the latter measure because it is the more ambitious goal. The spontaneous awareness commitment was to achieve:

- 30% spontaneous awareness for any SABMiller responsible drinking message.
- 10% spontaneous awareness for messages about responsible drinking during pregnancy⁶.



Povary Topvar collaborated with the local health authority to launch the ProMile mobile app which gives users information on and tips to avoid excessive drinking



RDMs placed on an bottle of Peroni.



RDMs placed on a bottle of Nastro Azzuro.



⁵ Compliance with these commitments apply to the following markets: Czech Republic, Hungary, Italy, Spain, Slovakia, Poland, UK and Romania.

⁶ In total 13841 beer consumers were surveyed across 8 EU markets between January and September 2013. This survey work gathered information on both prompted awareness and unprompted awareness of RDMS.

2.3 The results

Labelling and packaging

Our commitment: Ensure that 100% of our labels and packaging carry an appropriate RDM.

Result: Our internal processes, whereby all labels and packaging formats are reviewed and approved by our Sales and Marketing Compliance Committees (SMCC), found no examples of non-compliant labels. There were just two anomalies identified: in Hungary where a product brewed under licence had non-compliant labelling but we were not in a position to change the label, and a small amount of Grolsch which was supplied into the UK⁷.

Commercial communications

Our commitment: Ensure that all our commercial communications meet our POCC guidelines on RDM placement and content (increase the qualitative RDM compliance in commercial communications from 94% to 98%).

Result: Our Sales and Marketing Compliance Committees in each market monitored all of our commercial communications and found no instances of non-compliance. This compares with 2011 where we found 6 instances of non-compliance across 271 monitored commercial communications. This is an encouraging endorsement of the enforcement systems and processes that we have put in place.

Pregnancy RDM

Our commitment: Presence of a Pregnancy RDM on at least one brand or brand variant or on a packaging type (PET, glass bottle, can) per country.

At least one communication campaign or awareness-raising initiative on pregnancy per country in scope.

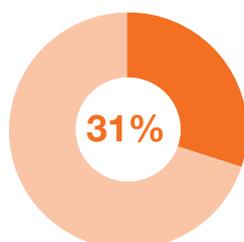
Result: A review across all of our markets confirmed the presence of the pregnancy RDM on at least one brand or brand variant or on a packaging type per country in scope. In addition a specific communications campaign was delivered in each of the markets in scope. This included communication programmes in partnership with professional associations or NGOs involving the distribution of information materials, organisation of awareness-raising events or the development of online content to increase awareness about the risks of drinking while pregnant.

Raising Awareness

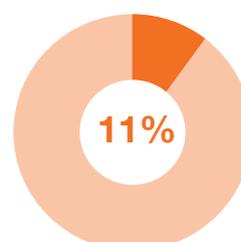
Our commitments: For any SABMiller RDM 30% spontaneous awareness among surveyed consumers.

For the pregnancy RDM 10% spontaneous awareness among surveyed consumers.

Results: Data provided to us by independent market research companies in each market in scope showed that we exceeded both commitments to achieve:



Spontaneous awareness of any SABMiller RDM, compared to 26% in 2012.

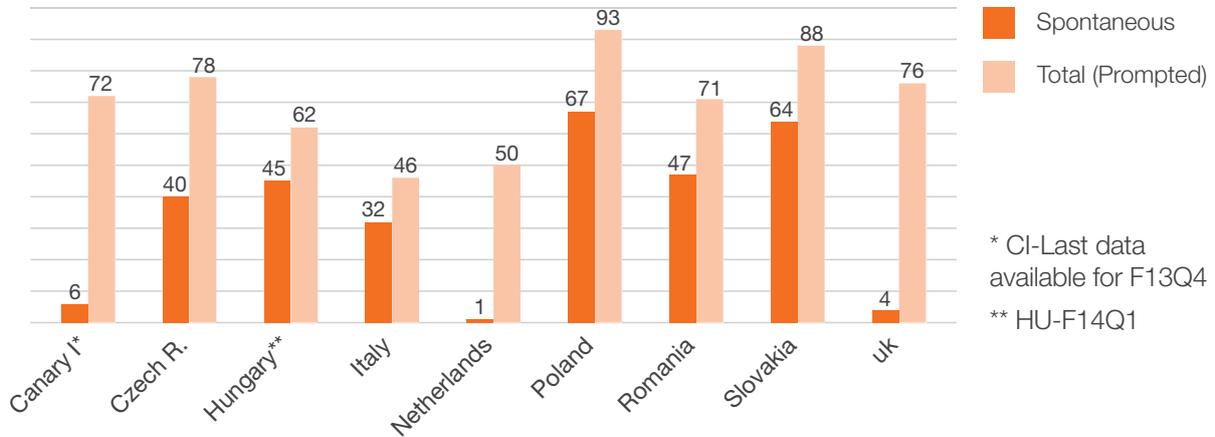


Spontaneous awareness of the pregnancy RDM, compared to 5.4% in 2012.

⁷ Hofbrau Weissbier is brewed under licence by our Hungarian subsidiary Dreher breweries. As SABMiller does not own the brand we are not in a position to require labelling changes. In total 17hl of Grolsch with non-compliant labelling were supplied into the UK but measures are now in place to ensure compliance from April 2014.

Results in detail

Country-by-country analysis of awareness results for any SABMiller RDM (in %)



As shown by the chart above, the results vary across the markets and there are considerable differences between spontaneous and prompted awareness. This variation is explained by the length of time that a programme has been in place and the presence of accompanying communications programmes around each message. The results show that high spontaneous awareness has been achieved in Poland (67%) and Slovakia (64%) where the RDM was accompanied by high profile communications programmes.

The spontaneous awareness in the Netherlands, the Canary Islands and the UK was low at (1%) (6%) and (4%) respectively. In the Canary Islands RDMs have been introduced very recently and therefore awareness began from a very low baseline, while in the UK where these messages have been in place for many years, they have become accepted as the norm and therefore are no longer top of mind. The picture improves considerably when prompted awareness is included, for the Canary Islands prompted awareness is 72% and for the UK this figure is 76%.



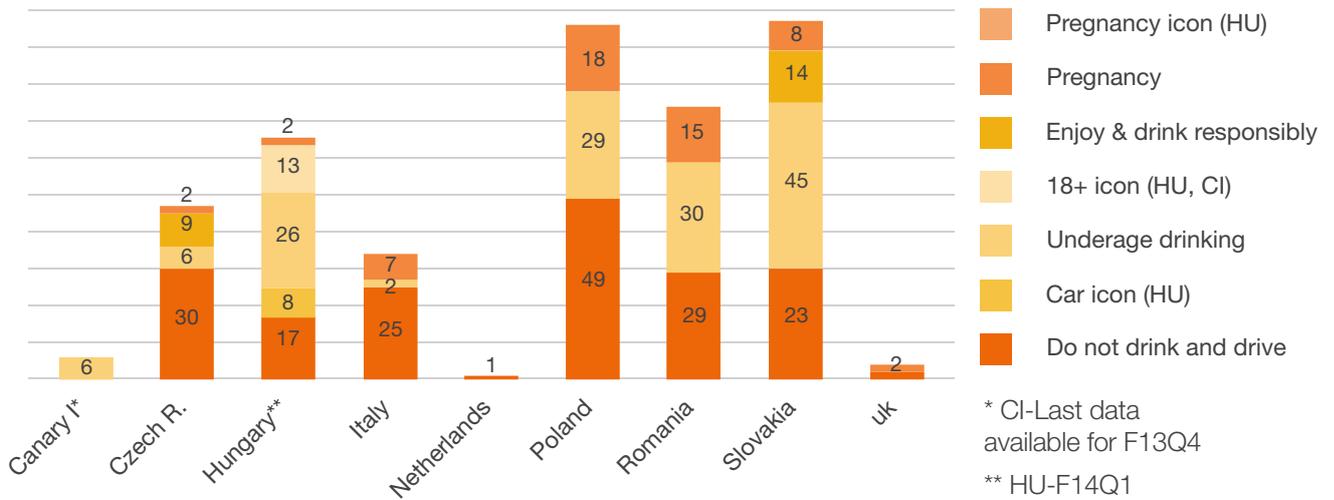
'For people over 18 only'
RDM



'For people over 18 years of age only'
RDM from an advertisement for the
Tyskie brand.



Spontaneous Awareness (in %)



As shown above, the particular RDM that consumers recall varies by country and inevitably reflects the focus of national campaigns. Do not Drink and Drive is the most recalled RDM in the Czech Republic, Italy, UK and Romania, while underage drinking is top in Hungary and Slovakia. Pregnancy receives relatively high total awareness in Poland and Romania. These differences in awareness of each message between markets are influenced by local awareness campaigns, public health initiatives, media focus, national priorities and the maturity of the label on the market.



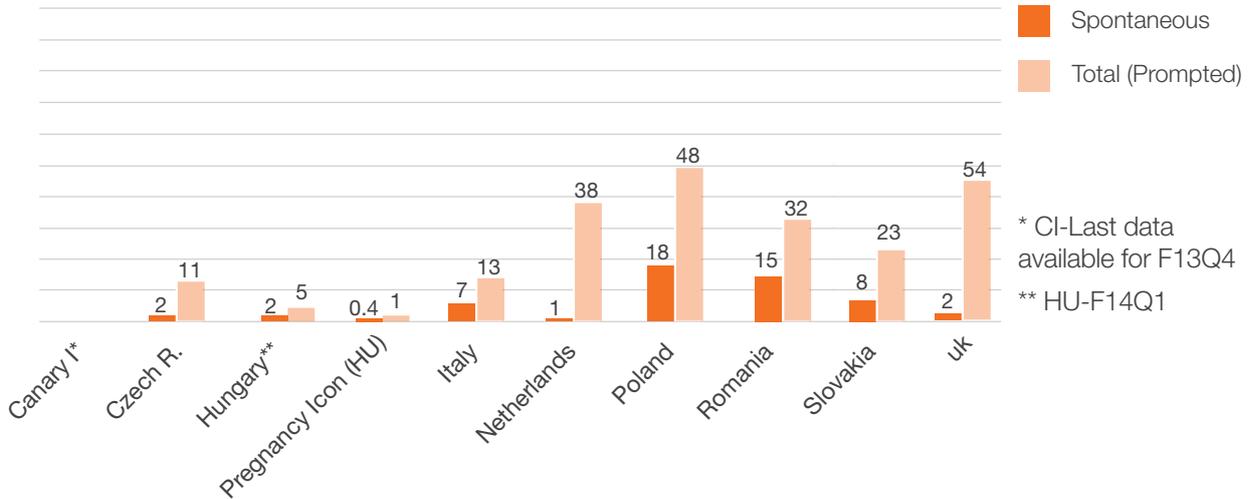
'For people over 18 years of age only' RDM on an advertisement



Awareness campaign for legal drinking age supported by Plzeňský Prazdroj



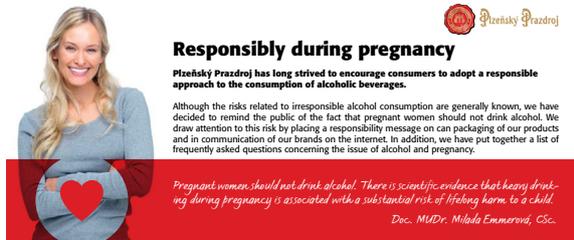
Country-by-country analysis of awareness results for the Pregnancy RDM (in %)



* CI-Last data available for F13Q4

** HU-F14Q1

The highest spontaneous awareness was observed in Poland (18%) and Romania (15%). In both of these countries we have worked with local partners and health professionals to put in place high profile awareness raising campaigns. Awareness is much lower in countries such as the Netherlands, Hungary and the Czech Republic where the RDMs have only been recently introduced and the starting baseline was very low. Total awareness is highest in the UK (54%) and Poland (48%) where the programmes are more established and have become part of consumers' everyday lives. This demonstrates that the maturity of the message on the market and the support of additional communication campaigns are the two determining factors in the effectiveness of RDMs.



Example of educational materials highlighting the risks of drinking while pregnant.



Our Polish subsidiary collaborated with the NGO Fastryga to produce these educational materials which were widely distributed in Poland.

2.4 Some Examples of Our Achievements on Responsible Drinking Messages and Awareness Raising

Czech Republic

In the Czech Republic RDMs are rotated to ensure that we communicate all of the important messages to all audiences and to ensure that these remain visible and relevant to consumers. For packaging (which includes secondary packaging), a pregnancy RDM and an 18+ RDM is implemented on cans, while a 'Do not Drink and Drive' RDM is on bottles. In digital communication all three RDMs rotate.

The pregnancy RDM was used from the second half of 2013 for digital communication on the brands Frisco, Fénix, Gambrinus flavoured and Gambrinus Excellent. In addition the alcohol and pregnancy section of our corporate website was enhanced to include a section with expert recommendations and a video about the risks of drinking while pregnant which was produced with the help of the NGO Sananim. The Czech version of www.talkingalcohol.com was also enlarged with additional information about pregnancy and alcohol consumption. Offline a responsibility leaflet was produced and distributed to 200 waiting rooms at gynaecological centres in Prague.



Spain

In Spain, Compañía Cervecería de Canarias placed the pregnancy RDM on the cans of its brand Tropical as well as in some promotional materials for supermarkets. CCC has also worked with the Brewers of Spain on an alcohol and pregnancy awareness campaign. This was developed in collaboration with the Spanish Gynaecologists and Obstetricians Society and the Spanish Midwives Association. The action plan included the distribution of 500,000 leaflets into 7,800 gynaecologists' consulting rooms.



Slovakia

In Slovakia, the Pregnancy RDM is present on all cans and secondary packaging of the Gambrinus brand. Furthermore in June 2013, our local subsidiary, Pivovary Topvar, teamed up with FASHION TV and a publishing house, STARPRODUCTION, to organise a charity fashion bazaar in aid of the Peter Dvorsky Foundation, a Slovakian NGO that campaigns on foetal alcohol syndrome. 500 women attended the bazaar itself which featured speeches on the harmful effects of excessive drinking and drinking while pregnant. The charity event was reported across several media channels.



Poland

The pregnancy RDM is used on a rotational basis on all secondary packaging of Kompania Piwowarska's brands. The other RDMs that are used in the rotation are 'I never drive after drinking alcohol' and 'Only for adults'. To support these messages an educational wall calendar was distributed to over 3000 gynaecological surgeries and birthing classes across Poland; International Foetal Alcohol Syndrome Day (9th September 2013) was marked with a press briefing and seminar on Zero Tolerance for Drinking During Pregnancy and the launch of an educational guide for pregnant women. By April 2014 this guide will have reached 108,000 pregnant women through 1700 gynaecological surgeries and 500 birthing classes.



Romania

The pregnancy RDM appears on the Redd's beer brand in Romania. In 2013, our Romanian subsidiary, Ursus Breweries, also launched an online and offline campaign to raise awareness of the risks of drinking during pregnancy. The campaign was endorsed by Dr. Alina Ursuleanu a healthcare specialist in obstetrics and gynaecology and the Regina Maria chain of private healthcare clinics. The campaign included the production of educational materials and articles in the lifestyle sections of prominent publications and websites including dedicated parenting websites and blogs. In total the campaign reached over 5 million readers and distributed 900 booklets for informed and responsible mothers in 18 Regina Maria clinics.

Dr. Alina Ursuleanu, specialist in Obstetrics and Gynaecology and part of the Ursus Breweries Pregnancy Project

“Our duty, as obstetricians, is to inform future mothers about the risks to which they expose themselves and especially the risks to which they expose their children. During the first prenatal consultation, we explain to the patients the importance of avoiding alcohol. Frequently, this is the time when we see the relaxed attitude that some women have towards this problem.

“That’s why this component of Ursus’s campaign is very important. By the use of social media as part of the campaign, we are reaching the target group of educated women that are more open to educational messages. The particular importance comes from the fact that this campaign protects two important subjects from the effects of alcohol consumption: mother and baby. The fact that a company producing alcoholic drinks initiated and carried out such a campaign is worthwhile proof of social responsibility”.



“As an obstetrician, I believe that talking about the impact of alcohol on pregnancy within the “About Alcohol” campaign is a very good idea.”



UK

The pregnancy RDM is a permanent fixture on all primary and secondary packaging for all our brands in the UK. As part of an industry wide commitment, MBUK, our UK subsidiary has committed to Government under various Memoranda of Understanding and as part of the Public Health Responsibility Deal (agreed with the Department of Health in 2011) to include health information on labels including the unit alcohol content, the government's recommended lower-risk drinking guidelines and a pregnancy warning.

We also have a page on our MBUK corporate website dedicated to providing information on this, see <http://www.millerbrands.co.uk/alcohol/pregnancy/Pages/Home.aspx>



Adult audience threshold

3.1 What is the adult audience threshold?

Our marketing seeks to promote our brands to adult consumers; it does not promote the consumption of alcohol by people who otherwise would or should not drink. Our advertising targets adults who either already consume our brands or are consumers of competing alcoholic beverages. Our advertising, like any good marketing of any product, is designed to address the needs and preferences of this target audience. Advertising that fails to do this is wasted and does not represent a return on our marketing investment. For this reason our media agencies are incentivised to maximise precision when purchasing advertising spots.

Alcohol advertising is among the most widely regulated in the world. While we do not believe that our advertising encourages drinking, we do believe that we should listen to the views of those who are concerned about advertising and respond constructively.

Global alcoholic beverage producers adopted the 70% adult audience threshold as part of a set of CEO commitments⁸ for global minimum standards signed in October 2012. This ensures that any media placements use media channels or slots which have an adult audience of at least 70% and is standard practice across our industry.

At SABMiller, our Policy on Commercial Communications (POCC) provides additional guidance for our marketing teams on the application of the adult audience threshold in practice. In addition it requires that all:

- Paid actors or models in advertising must be a minimum of 25 years old and appear to be at least 21 years old. For brand promotions all team members must be 21.

- Commercial communications must not employ cartoons, characters (real or fictional), animals, icons, music or other elements which have a unique appeal to persons under age.
- SABMiller group companies should maintain and update at least semi-annually a representative 'no-buy' list of media that are largely for an underage audience even those that have timeslots which would respect the 70% threshold.

Media buying is a predictive exercise so a placement is considered compliant if the audience composition data reviewed prior to the placement satisfied the placement criteria and was the best available data for that medium at that time. These requirements are reinforced in the contracts that we hold with media buying agencies to ensure that they are rigorously applied and enforceable. They are also subject to post-placement monitoring to ensure that the actual audience level matches the predicted audience level.

3.2 Our Adult Audience Threshold Commitment

In Europe, improved technology for measuring audience demographics more accurately allows us to go further than our global 70% adult audience threshold. To achieve this, we issued guidelines across our European markets to ensure an adherence to a 75% threshold and our commitment was to monitor compliance with this higher standard in the Czech Republic, Hungary, Italy, Spain, Slovakia, Poland and Romania across radio, websites, print and TV⁹. Specifically by the 30th November 2013 we committed to ensure that:

- Advertising channels have an audience threshold of at least 75% of adults (+18 years) based upon post-measurement in relevant commercial communication.

⁸ The Commitments were signed on the 9th October 2012 by the CEOs of global beers, wines and spirits producers. Further information on the commitments and compliance with them can be found at <http://commitments.global-actions.org/default.aspx>

⁹ The UK and the Netherlands were not part of the commitment because both have pre-existing industry commitments to apply the 75% threshold.

3.3 The results

Our Commitment: To move to an adult audience threshold of 75/25 for all media placements across radio, websites, print and TV.

Results: Our Sales and Marketing Compliance Committees, supported by data provided by our media buying agencies, analysed all of our commercial communication placements and found full compliance with the 75% threshold, based on ex-post measurement of the adult audience.

Focus on Czech Republic: Global standards locally enforced

In the Czech Republic our subsidiary Plzeňský Prazdroj has a Sales and Marketing Compliance Committee (SMCC) including marketing and corporate affairs directors as well as representatives from the legal and sales departments. This group is responsible for reviewing and approving all commercial communication, packaging or digital communication to ensure compliance. To ensure that this body works independently it is chaired by the chairman of the independent Advertising Council of the Czech Republic.

All brand teams and marketing are periodically trained in the requirements of SABMiller's Policy on Commercial Communications. These teams regularly upload their proposals for commercial communication for approval by the SMCC. In cases, where the brand teams are not sure if the idea that they are developing is in compliance with the POCC requirements, a preliminary consultation is often conducted with the SMCC to ensure that projects are not developed without due respect for company standards.

Ladislav Štastný, Executive director of the Czech Advertising Council and head of the SMCC for Plzeňský Prazdroj



“In my opinion, Plzensky Prazdroj has the most developed self-regulatory system in the Czech Republic.”

“What makes it so effective, are the controls and checks over each and every communication of all brands. Quick and effective instruments are in place in order to avoid possible breaches of the rules. The system uses an independent expert's view, which brings a broader perspective to the approval process”.

Digital age verification

4.1 What is digital age verification and how do we apply it?

Digital communications provide a range of opportunities to engage with our consumers and other stakeholders. Our communications always target adults of legal drinking age and there are many online and offline channels that we do not use because they would fail to do that. However, in addition to ensuring that the content of our advertising is appropriate and that it is underpinned by responsibility messages, we take additional steps to limit access by underage individuals where it is technologically feasible to do so.

How age gating works

1. Website content must be protected by an age gate, registration process or log-in using social media profile. If this is not possible then channel should not be used. If government databases enable the verification of data then companies must consider this option.

2. Failing an age gate results in redirection to an appropriate local educational site about the dangers of underage alcohol use.

3. Cookies prevent re-entry of data
4. If 'remember me' option is taken then a warning statement should accompany it urging users not to tick the box if on a shared computer.

In practice this means that platforms that we own and manage (brand websites and social media profiles) are controlled through age gating, registration or additional log-in requirements to prevent those below the legal drinking age from accessing them. Furthermore our websites support content-control and age verification software which prevents the re-entering of date of birth details during the same session in order to gain entry.

Age gate entry



Redirection to an appropriate local educational site.

Cookies prevent re-entry

4.2 Our Commitment

Our commitment is to ensure that 100% of all SABMiller owned digital commercial communication platforms and digital content owned by SABMiller on social media platforms are secured by an age check (18+ years) for users. Age verification will be achieved either through:

- An age gate process requiring users to enter exact date of birth details (day, month/year) and country.
- A registration process where users are required to supply exact date of birth information, and then 'log in' on future visits.
- A logging in process which relies on a user's social media profile e.g. Facebook.

Furthermore we committed to:

- Ensuring that our age verification software will also place a cookie (small piece of code) on a user's computer to prevent him/ her from leaving a site and re-entering their date of birth during the same session in order to gain entry.
- Including additional messaging as appropriate. For example, if an e-card may be sent to a third party, a clear reminder must be included stating that the recipient must also be above the legal drinking age for that country (or 18+ if there is no legal drinking age).

For mobile applications which can be downloaded from a number of different locations (e.g. Apple's App Store) and for which there is no means of introducing an age gate, users are required to provide a full date of birth on first launch of the application.

Although not within the scope of our commitments, our internal policy also requires us to ensure that:

- Those failing an age verification process are redirected to an appropriate local social aspect website intended for underage people such as <https://www.drinkaware.co.uk/why-am-i-here> in the UK
- Where an age verification process provides a 'remember me' option to enable a user to return to the site again without having to re-enter his/her details, it must be accompanied by a warning statement e.g. 'Remember my details. Do not select on shared computers.'
- All of our brand/company owned websites include appropriate metadata to support content-control software.

Dr Victoria Nash, Director of Graduate Studies and Policy and Research Fellow Oxford Internet Institute

“The marketing and sale of age-restricted goods online present new and difficult challenges for responsible retailers who wish to prevent access by vulnerable minors.”

Our recent research project revealed a variety of online age verification practices, ranging from simple assertions of age and birth date to sophisticated checking across online public databases. In a context where social media present exciting possibilities for marketing and business development, we were particularly interested to hear from participants across several sectors that more certainty over the age of Internet users would also be a positive business enabler. It is very encouraging that responsible brands such as SAB Miller are taking a lead in industry debates on this issue and we hope that expanded awareness of the benefits of age-gating will help support the development of further innovation in this area.

4.3 The results

Our Commitment: Ensure that 100% of all SABMiller owned digital commercial communication platforms are secured by an age check

Result: Our local markets compiled a detailed inventory of all digital content falling under the scope of the commitment by each market. Our internal checks against this inventory showed a strong compliance rate at the end of the period. This positive final result was in contrast to the compliance rates observed at mid-year when several instances of non-compliance were identified in each market. These early results allowed us to identify issues and to put in place a process to address the instances of non-compliance, leading to a considerable improvement in the compliance rate by the end of the year. At the end of the commitment process, isolated instances of non-compliance persist and we are working actively to address these.

Czech Republic

Out of 16 digital media platforms, the following appeared not to be fully compliant at the end of the commitment:

- 1 Youtube account without an age gate which was implemented after the check.
- 1 website that did not have a session cookie



Spain

Out of 20 digital media platforms in scope the following appeared not to be fully compliant at the end of the commitment:

- 1 website without a session cookie
- 2 Instagram account with no formal age check



Hungary

13 digital media platforms in scope were monitored and found to be in compliance.



Italy

Out of 15 digital media platforms in scope, the following appeared not to be fully compliant at the end of the commitment:

- 2 websites without a session cookies.



The Netherlands

Out of 21 digital media platforms in scope, the following appeared not to be fully compliant at the end of the commitment:

- 2 websites without a session cookie.
- 1 Instagram account with no formal age check.



Poland

Out of 37 digital media platforms in scope, the following appeared not to be fully compliant at the end of the commitment:

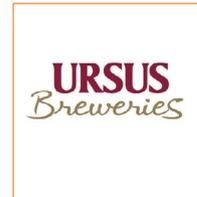
- 2 websites without a session cookie
- 1 Instagram account with no formal age check.



Romania

Out of 33 digital media platforms in scope, the following appeared not to be fully compliant at the end of the commitment:

- 1 website without a session cookies
- 1 Instagram account with no formal age check.



Slovakia

Out of 19 digital media platforms in scope, the following appeared not to be fully compliant at the end of the commitment:

- 1 Youtube account which was not yet compliant due to a technical issue.



UK

Out of 19 digital media platforms in scope the following appeared not to be fully compliant at the end of the commitment:

- 1 Youtube account without an age gate.
- 1 Website without a session cookie.



The complexity, variation and changing nature of social media is something that we continue to monitor to ensure our internal practices and evolving digital channels restrict access. We are also working closely with the individual platform owners in order to resolve issues which are currently beyond our direct control.

YouTube, particularly in some smaller markets, has some technical limitations which made compliance particularly challenging. In the Czech Republic attempts to either establish an age check or failing that delete the accounts that did not carry them were hampered by a lack of username or password details for the account.



During the Commitments period, **Twitter** did not have age gate functionality to allow us to control who follows our Twitter accounts. Instead it only had an age screen, whereby users had to confirm their age after 24 hours of joining and if the user opted to ignore the age checks there was no system to automatically delete them as a follower. Twitter does now have an age gate that asks for date of birth at time of electing to follow our Twitter feeds. We have sent all European Twitter handles to Twitter for activation of this age gating functionality.



Instagram has severe limitations on its age gating which made it particularly vulnerable. However, we now have a solution which is currently being tested.



In all these cases the incidence of non-compliance has prompted a dialogue between our marketing teams and the platforms to find workable solutions. We need to apply best available technology but ensure that at a market and global level we are in dialogue with platforms to find improved ways to restrict access.

Konrad Drozdowski
General Director of the Polish Advertising Council

Focus on Poland

“Age verification is the key issue in relation to digital marketing of alcoholic beverages. Preventing minors’ access to content not intended for those under the legal drinking age is an advertiser’s basic obligation.”



“While no solution offers one hundred percent effectiveness, the implementation of best practice based on best available technologies is important. Basing the age verification mechanism on the commonly used cookies mechanism and social platforms login guarantees understanding by users, without causing excessive inconvenience for website visitors. The inclusion of meta data in website code can also help to facilitate blocking configurations in parental control software”.

Conclusions and future ambition

This report demonstrates that the systems and processes that we have put in place to ensure that responsibility is embedded across our business do have an impact.

In respect of labelling we can see further progress since our last monitoring report. We achieved near full compliance with our commitment to ensure that all labelling on primary packaging has a Responsible Drinking Message (RDM). We have all the structures and processes in place to achieve full compliance in the future. Similarly our Sales and Marketing Compliance Committees found no instances where our commercial communications did not include an appropriate RDM, which is a further endorsement of the extent to which we have embedded these messages into the marketing of our beers. However, it's the awareness of these RDMs that are the real measure of their value; while the results in this report were encouraging what they really underline is that awareness increases following long concerted efforts to promote RDMs and the messages that underpin them. This is something we will endeavour to continue.

Our efforts to limit access to only those adult consumers that we want to reach were broadly successful. Technology allows us to pinpoint our intended audience with significant precision; however, technological development in respect of social media has challenged our ability to keep content inaccessible to those it is not intended for. In many cases it requires on-going dialogue between our marketing teams and social media platforms to find workable solutions.

In addition to learning the lessons of this monitoring exercise, we need to think about our ambition for the future. As a company we want beer to be developed, marketed, sold and consumed with a high regard for individual and community wellbeing. To achieve that we believe that we need to ensure that every element of our product – brand positioning, pack format, marketing, alcohol by volume and occasion targeting – reflects this ambition. In addition, where its relevant for our consumers, we need to work to make our lower strength or non-alcoholic beers both more profitable and attractive. We also need to look at how we convey responsibility and whether we can do that in a way which resonates more closely with our brands because doing this will help to increase the impact with consumers. Finally, aside from our beers themselves and the way we market them, we need to think about distribution, which is often the front-line of responsibility. We want to work in partnership with retailers to encourage and promote responsible practices.

This monitoring report ends, but the work to address the areas for improvement and increase our level of ambition that have been identified in this report will now continue. We will keep you updated on our progress.

Independent Assurance Report

To the Board of Management of SABMiller Europe

We were engaged by the Board of Management of SABMiller Europe AG (further 'SABMiller Europe') to provide assurance on the information in the Executive summary in the Commitments Report (further 'The Report'). The Board of Management of SABMiller Europe is responsible for the preparation of The Report. Our responsibility is to issue an assurance report based on the engagement outlined below.

Scope

SABMiller Europe describes in its Report the results of its commitments 1353409558426-1582, 1353407051430-1580 and 1353347239121-1578 (hereafter: the Commitments) to the European Alcohol and Health Forum.

Our assurance engagement was designed to provide limited assurance on whether the information in the Executive Summary (pages xx to yy) is presented, in all material respects, in accordance with the reporting criteria.

We do not provide any assurance on the achievability of the objectives, targets and expectations of SABMiller.

Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of information and are less extensive than those for a reasonable level of assurance.

Reporting criteria and assurance standard

SABMiller Europe reports the results in the Executive Summary in accordance with the criteria of the Commitments. SABMiller provides further explanations of the Commitments, operationalization thereof and its coverage in the Report in "Annex A" on page 23-26 and in the "Executive summary" section in the Report.

It is important to view the reported information in the context of these criteria. We believe these criteria are suitable in view of the purpose of our assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE 3000): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. This standard requires, among others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to provide assurance on the subject matter information, and that they comply with the requirements of the Code of Ethics for Professional Accountants of the International Federation of Accountants to ensure their independence.

Work undertaken

Our procedures included the following:

- Evaluating the design and implementation of systems and processes for the collection, processing and control of the information in the Executive summary.
- Visits to three operating countries to review the source data and the design and implementation of controls and procedures at country level.
- Evaluating internal and external documentation, based on sampling, to determine whether the information in the Executive summary is supported by sufficient evidence.
- Interviews with relevant staff at corporate and country business level responsible for providing the information in The Report, carrying out internal control procedures on the data and consolidating the data in the Executive summary.

During the assurance process we discussed the necessary changes to the information and reviewed the final version of the Executive summary to ensure that it reflects our findings.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention to indicate that the information in the Executive summary is not presented, in all material respects, in accordance with the reporting criteria.

Annex A

Methodology and detailed results

A. RDM commitment

1. The Commitment in Detail

Our commitment on responsible drinking messages (RDMs) focused on 3 key areas, RDMs on packaging and labelling, RDMs in our commercial communications and a specific RDM on the risks of drinking during pregnancy. The targets for each area were:

Labelling and packaging:

- Increase the RDM labeling quantitative compliance from 97% to 100% according to the revised RDM policies and guidelines. This means that RDMs should be present on all qualifying formats and must be fully compliant with our guidelines on RDMs.

Commercial communications:

- Increase the qualitative RDM compliance in commercial communications from 94% to 98% according to the revised RDM policies and guidelines
- Achieve as output spontaneous awareness of any SABMiller RDM of 30%

Pregnancy RDMs:

- Placement of a pregnancy RDM on at least one brand or brand variant (for the promotional material - web advertising, TV copies and print advertising) or on a packaging type (bottle, can, PET) per country
- Have one program OR communication on responsible drinking during pregnancy per country in scope
- Achieve as output spontaneous awareness of target group on pregnancy RDM of 10%

2. Scope

The commitment covers the countries CZ, HU, IT, ES, SK, PL, UK, RO and encompasses commercial communication such as TV, online advertisements, billboards and print advertisements, in addition to primary packaging labels and printed PoS materials. The commitment is superseded by law and an industry/government agreement in Poland (for TV spots) and the UK (for all advertising) respectively; however these were included in the report for information purposes. The Netherlands was not included in the scope.

B. Adult audience threshold commitment

1. The Commitment in Detail

Prior to 2013, we applied a threshold of at least 70% adult audience for our advertising in print, audiovisual media and on websites for broadcast advertising. By the 30th of November 2013, the target was to move to a 75/25 threshold rule for print, TV, radio and website advertisements, in all SABMiller's European operations, in-line with best practice in this area. This is measured through post-measurement in all relevant commercial communication.

Furthermore we apply our 6 principles of responsible marketing to all these forms of media as mentioned in our "Media Placement Compliance Guidelines", which include individual guidance per form of media. These include t post placement monitoring, a semi-annual 'no buy' list of magazines, radio and television stations that are largely for underage audiences and contractual obligations for all our media buying agencies to abide by our Policy on Commercial Communications.

2. Scope

The scope of the commitment covers the countries: CZ, HU, IT, ES, SK, PL, RO and encompasses commercial communication: radio, websites, print and TV. The UK and NL are not part of the commitment as the 75% threshold is already in place.

Other forms of media covered in the guidelines such as billboards or sports events are harder to measure and we are working on a methodology to tackle these forms as well.

3. Measurement Process

- The internal Sales and Marketing Compliance Committee (SMCC) in each country is charged with ensuring all commercial communication complies with the Adult Audience Threshold.
- A placement is considered reasonable by us if the audience composition data reviewed prior to the placement satisfied the 75% threshold.
- Compliance with this qualitative assessment was monitored over the period 1st May 2013 until the 31st July 2013.
- Source data for ex-post evaluation was provided by the buying agency MEC Global for 5 of the markets (IT, CZ, HU, PL and SK) with the remainder using their local media agencies for source data to support the monitoring process.

C. Digital age verification commitment

1. The Commitment in Detail

In 2013 we committed to ensuring that 100% of our digital commercial communication platforms are secured by an age check (18+ years) for users. Age verification is achieved through either an age gate or a profile check plus registration database with meta data and session cookies. This must be supported by the verification of government databases if available.

Our commitment also includes appropriate follow up and software support for age verification, including re-directing underage users toward a local social aspect website with information about the risks of alcohol consumption, the placement of cookies to prevent repeated attempts to access a site by a user who is detected to be underage and additional responsibility messaging where appropriate such as on e-cards.

We also committed to ensuring that all digital content for mobile applications uses age verification on the first launch and directs the user to a local social aspect website if the user is underage.

2. Scope

The scope of the commitment covered the countries CZ, HU, IT, ES, SK, PL, RO, UK, NL. According to the 2012 Guidance notes for “The application of the POCC to digital communications” the following digital content falls into the scope of the guidelines (and thus the commitment):

- Brand-owned websites and microsites.
- Brand-owned social media profiles,
- Brand-owned applications and downloads,
- Sponsored or officially endorsed digital platforms.
- Brand sections of corporate websites.
- Paid for online advertising.
- Search engine optimisation and content distribution and seeding.

The following digital content does not fall into the scope of the guidelines (and thus the commitment):

- Alcohol responsibility websites (for which there are separate Guidelines) market research, content on corporate websites which is not 'commercial communication'.
- Communication devoted to sustainable development and alcohol responsibility programs and corporate communications including financial information, annual reports and press statements.
- Digital content not owned by us directly.

3. Measurement

- An inventory of all digital content falling under the scope of the commitment by each market is submitted to the SMCC in each market in scope.
- A compliance check is then carried out by the SMCC covering of all relevant platforms and sites.
- Results are then made available for independent third party assessment including the investigation of a sample selection for an in-depth check.
- An internal review of third-party assessment to address issues of non-compliance.

