

Code of Practice for Responsible Advertising & Marketing of Spirit Drinks

Revised May 2019



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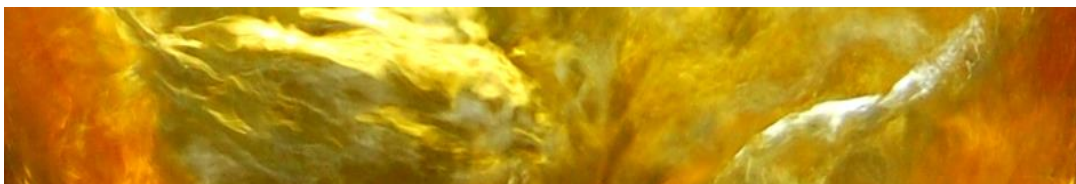
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Introduction

Rum has been produced in the Caribbean region for many centuries for both domestic consumption and export. As the premier value-added agri-based regional export rum makes a significant contribution to the regional economy. It provides an essential contribution to the revenues of CARIFORUM Governments through excise and other taxes and is the most significant export for CARICOM countries earning over US\$ 550 million per year. It provides employment for more than 10,000 people and indirectly supports the livelihoods of many more. It is a part of the culture and heritage of the ACP Caribbean and plays an important role in the tourism, agriculture and manufacturing sectors.

At the same time however, the regional rum industry is keenly aware that, like other alcoholic beverages, the abuse of rum products can be detrimental to public health. It is therefore in the industry's interest to responsibly promote and market rum products and to encourage their responsible consumption by consumers.

The Members of the West Indies Rum and Spirits Producers' Association Inc. (WIRSPA) have for many years demonstrated their commitment to the responsible advertising, marketing and promotion of their products on the local, regional and international markets. WIRSPA has adopted a written Code of Practice to govern and promote the responsible advertising and marketing of spirits drinks by its members. WIRSPA members are committed to the implementation of the Code and will use best endeavours to encourage entities, including shops and bars, involved in the advertising and marketing of alcoholic beverage products to do so as well.



Scope

This Code is intended to cover all advertising and promotional activities, including sponsorship, sampling, packaging, product and company websites, press releases, new technologies and all other promotional tools.

The Code applies to every type of communication medium, including the internet, text messaging and the use of social media which can be used to advertise, or market beverage alcohol produced by WIRSPA Members. It also applies to all retail merchandising.

The Code is intended to be informative to the stakeholders and to demonstrate the intent and action of the industry on this issue.

This code should support efforts aimed at significantly reducing the incidents of harmful and irresponsible consumption of spirits.

All WIRSPA members and affiliated producers are committed to the principles and standards of the Code and to its effective implementation in the spirit, as well as the letter, of the code.

Individual country associations will be responsible for transposing the principles and standards of this Code to their respective countries and to seeking the adherence to it by their Members as far as legally possible.

WIRSPA will conduct periodic review of the Code and its implementation to ensure its constant relevance and adherence by the Members.



The WIRSPA Code

Responsible Consumption

The majority of adults who choose to drink alcoholic drinks do so without harming themselves or others. The marketing of WIRSPA member producers that depicts responsible drinking as a relaxed, sociable and enjoyable part of life has a role to play in promoting a responsible approach to alcohol consumption.

WIRSPA producers recognise that some people choose not to drink alcoholic drinks. Promotional and marketing activity should not seek to challenge this choice, nor suggest that the decision not to drink alcohol is in any way socially unacceptable or anything other than a legitimate personal choice.

Promotional and marketing materials that show product consumption should portray products being consumed and drinkers behaving in a responsible manner and shall not target the youth market, vulnerable persons or pregnant women.

Company marketing communications should never promote, support or condone illegal, irresponsible or immoderate consumption, such as binge drinking or drunkenness. Consumption must not be portrayed or encouraged before or during the use of machinery, driving or undertaking any potentially hazardous pursuit or pastime.

Company marketing should never suggest drinking being associated with driving prowess, violent, aggressive, dangerous or anti-social behaviour.

Company marketing should never suggest drinking being associated with, acceptance of, or allusion to, illicit drugs.

A responsible drinking message should be carried on all advertising: traditional and digital, including brand websites, and print point of sale materials. The content and size of the message is to be determined by the individual company.

Alcohol and Health

A considerable body of medical and scientific literature has been published on the benefits and risks of drinking. Much of this indicates that moderate drinking, for most adults, can be part of a balanced and healthy lifestyle.

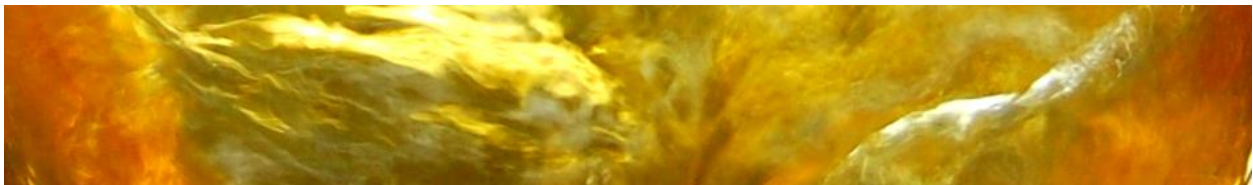
WIRSPA member companies also recognise that some individuals should avoid drinking alcohol completely. Consumers who wish to take advice on consuming alcohol should consult their doctor.

No impression should be given that the consumption of WIRSPA member products can enhance mental or physical capabilities.

Companies should not market products as having or suggesting that they have health or therapeutic qualities or the ability to prevent, treat or cure illness.

Social and Sexual Success

WIRSPA member brands and drinkers may be portrayed as part of responsible personal and social experiences and activities, such as the depiction of persons in a social or romantic setting, persons who appear to be attractive or



affluent, and persons who appear to be relaxing or in an enjoyable setting.

However, no marketing communications should contain any claims or representations that individuals can attain social, professional, educational, or athletic success or status as a result of alcohol consumption.

Marketing communications should not suggest that drinking WIRSPA member products enhances sexual capabilities, attractiveness, masculinity or femininity, nor suggest any association with sexual activity or sexual success.

Marketing and advertising should avoid the use of graphic or gratuitous nudity, overt sexual activity, promiscuity or sexually lewd or indecent images or language.

Communications should adhere to generally accepted standards of good taste.

Protecting those under Legal Purchase Age¹

WIRSPA member brands should not be advertised or marketed in any manner directed at or primarily appealing to persons below the legal purchase age. Marketing materials and promotions should not depict anyone under legal purchase age or portray objects or images that primarily appeal to persons below the legal purchase age.

Brands should not be advertised or promoted by any person who is below the legal purchase age or who is made to appear to be below the legal purchase age. To help ensure that individuals in advertising are and appear to be above the legal

purchase age, models and actors shown drinking should be a minimum of 25 years old.

When the services of a celebrity are used to advertise or endorse a product, that person should not primarily be associated with or be appealing primarily to persons below the legal purchase age.

Communications should be placed in print and digital media only where at least 70% of the audience is reasonably expected to be above the legal purchase age. In countries where a higher threshold is laid down, companies must adhere to that higher percentage.

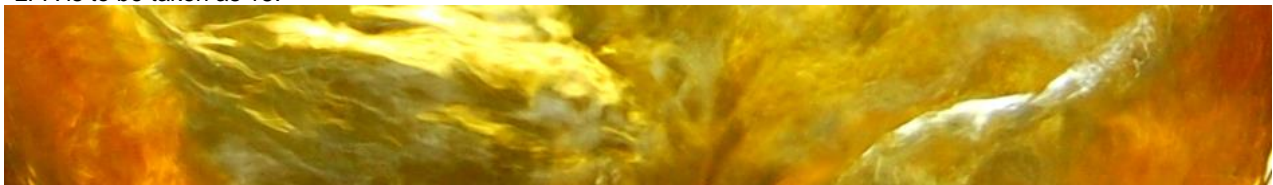
Advertising for alcoholic beverages should not be placed on any outdoor stationary location unless out of the clear view of an established place of worship, school or children's playground, except on a licensed premise.

Brand logos and names should not be used on clothes, toys, games, or other items intended for use primarily by persons below the legal purchase age.

Products should not be advertised or marketed in a manner associated with the attainment of adulthood or the "rite of passage" to adulthood.

This Code does not apply to any materials or activities whose purpose is solely and clearly to educate those under the legal purchase age about the use and misuse of alcohol or the industry's role in society. For example, responsibility messages such as those that communicate that the product should not be purchased or used by those under the legal

¹ In cases where the LPA is below 18, the minimum LPA is to be taken as 18.



purchase age are not intended to be prohibited by the Code.

Alcohol Content

WIRSPA supports efforts to promote responsible consumption. In those markets where it is defined, WIRSPA encourages members to provide unit/ standard drink information in order that consumers can make informed choices.

The alcoholic nature of a drink should be communicated on its packaging with absolute clarity, in line with national legal requirements.

Factual information about the alcoholic strength (alcohol content) of a drink helps consumers to make informed decisions, but alcohol strength should never be the dominant theme of any marketing communication.

Undue emphasis should not be placed on higher alcohol content as the principal basis of appeal. The responsible marketing of cask strength products will not breach this Code.

Drinking and Driving

The Association believes those who choose to drive should not drink. Advertising and marketing materials should not portray, encourage or condone driving any motor vehicle after drinking.

The consumption of WIRSPA producer brands must not be portrayed or encouraged before or during the use of machinery, driving or undertaking any potentially hazardous pursuit or pastime.

Trade Promotions & Tastings

Producer brands each have their own individual characteristics and consumers will from time to time wish to taste different products to broaden

their education and to discover brands previously unknown to them.

When conducting promotions and tastings, companies should encourage responsible consumption and discourage activities that reward excessive and/or abusive consumption. When conducting events, companies should recognise existing government sensible drinking guidelines and not offer to any one individual alcohol exceeding these recommendations.

Tastings should not promote or encourage drinking in conjunction with reckless and/or irresponsible behaviour, nor involve drinking games or activities that have speed incentives, or that require excessive quantities of alcohol to be consumed within a short time period.

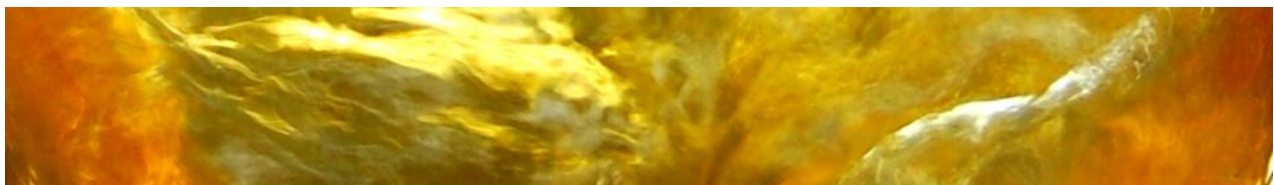
Anyone carrying out sampling must comply with current local licensing legislation. All employees and third parties contracted to conduct tastings should be trained in responsible serving and must be of legal purchase age.

Quality spirits, Rum included, is often drunk straight. That is not the same as being consumed as a 'shot'. Care should be taken to avoid encouraging rapid consumption or 'downing in one'.

Safeguards should be put in place to avoid tastings being undertaken by individuals under legal purchase age, or by those driving or operating machinery.

Sponsorship

As an integral part of each new alcohol sponsorship, companies must ensure there is a recognisable commitment to promoting responsible drinking and/or supporting diversionary/community activities; taking into



account the size, scale, reach and length of the sponsorship.

Companies must not sponsor individuals, activities, teams, events, tournaments, competitions, bands or celebrities which have a primary appeal or are primarily aimed at, those under the legal purchase age.

Prior to sponsoring an event, team or activity, drinks companies must use their best endeavours to obtain data on the reasonably anticipated participants, audience or spectator profile to ensure that at least the aggregate of 70% are aged over the legal purchase age. If historical data is not available, (for a new event, for example) then anticipated data, or data from a comparable event, should be obtained.

Companies must not sponsor or support individuals under the legal purchase age. A company may sponsor a team, band or group which features a player or member who is aged under the legal purchase age, provided that at least 70% of the overall participants are over the legal purchase age and that the team, band or group does not primarily appeal to underage audiences. Any participants under the legal purchase age should not be used individually in any promotional material or brand activation activity.

Sponsorship at events or tournaments which do not meet the 70% threshold are permitted but only if restricted to defined areas to which at least 70% of attendees are aged over the legal purchase age. However, a WIRSPA producer company must not be the main sponsor but could be one of a number of sponsors.

Competitions for sponsored event tickets, which include the service of alcohol, must not be open to those under the legal purchase age.

Prior to entering a sponsorship agreement, companies must take reasonable steps to establish whether an association with alcohol and/or the sponsored party would be inappropriate under this Code.

Sponsorship of activities which may be hazardous after alcohol consumption (e.g. motor racing, sailing, skiing) is not in breach of this Code, but companies will wish to ensure that no link is made to suggest that alcohol consumption is appropriate while undertaking such activities or that success in these pursuits is enhanced by alcohol consumption.

Donations made by companies to assist programmes encouraging social responsibility or discouraging underage drinking will not be in breach of this Code.



Digital Marketing

The Code applies to all digital marketing communications including but not limited to advertising and marketing communications on websites such as social network sites and blogs, as well as mobile communications and applications, produced and/or controlled by the company.

Responsible Drinking message

Alcohol beverage digital marketing communications and/or alcohol beverage company-controlled digital platforms should include a clearly visible Responsible Drinking Message (RDM) which explicitly advocates responsible drinking.

Wherever applicable, the RDM should be placed on the landing page. Alcohol beverage marketing communications may include a visible responsibility tab as an alternative or in addition to the RDM (e.g., on social media pages).

Age Affirmation

All digital marketing communications where possible or appropriate require age affirmation based on full date of birth and country of residence whenever digital marketing communications actively engage a user to interact directly with a brand.

If the age-affirmation mechanism used includes a “remember me” option, an additional notice should be included on the age-affirmation page reminding the user to consider the appropriateness of accepting this option if the computer is shared with other users below LPA.

Whenever a user's access is denied through an age-affirmation mechanism, this user should be sent an appropriate message and/or be redirected to an appropriate alcohol-related social aspects website. Users should not be able to easily back click and re-enter a different date of birth.

In case the digital platform on which alcohol beverage marketing communications are placed allows direct interaction but does not provide any age-affirmation mechanism, alcohol beverage companies should consider the following three conditions below before placing their digital marketing communications:

- the platform's audience in the country for which the marketing communication is intended should meet the stated audience composition targets, where at least 70% of the audience is of LPA;
- an age disclaimer or statement should be placed reminding users that the content is intended for LPA users only;
- the platform should provide a mechanism to remove or moderate inappropriate UGC.

Media Placement

Companies should only use media which can reasonably be expected to meet the threshold of at least 70% of the audience being over the legal purchase age.

Companies that create a page or fan group on third party sites must ensure the content complies with the requirements of the Code (i.e. in relation to responsible consumption, protecting those under the legal purchase age, alcohol content, drink & driving, sexual & social success, alcohol & health).



User Generated Content

User Generated Content (UGC) is material created and uploaded to a site or webpage by an individual and not by the company. UGC which appears on company websites or sites over which the company has editorial control should be monitored and moderated on a regular basis for compliance with the Code. UGC that appears on third-party websites over which the company has no control is outside the scope of the Code.

Alcohol beverage companies' marketing codes of practice should include a statement indicating the frequency with which they monitor UGC on their company-controlled digital platforms.

Wherever they allow UGC, alcohol beverage company-controlled digital platforms should include community guidelines stating their UGC policy, which can be included in the above-mentioned responsibility tab.

Forward Advice Notice

Whenever content is allowed to be shared on a company's owned and/or controlled platform, a Forward Advice Note (FAN) should be included clearly stating that the content not be forwarded to anyone below the legal purchase age in the country of viewing.

The Forward Advice Notice should be visible, or accessible through a visible link, on all alcohol beverage company-controlled platforms (and/or directly in digital marketing communications) designed for sharing content, such as social media pages, mobile applications, and direct digital marketing communications.

Data Privacy

Digital marketing communications must respect user privacy. Consumer consent is required prior to sending direct digital marketing communications.

Consumers must be provided with an easy way to opt out of receiving direct digital marketing communications.

With regards to the collection and use of data, alcohol beverage companies should abide by the laws and regulations regarding data collection of the country of activity. They should also feature data privacy statements regarding the collection and use of personal data on their company-controlled websites that they encourage users to read.

Transparency

Digital marketing communications and product promotions must be transparent and not misrepresent their true commercial purpose.



Compliance

WIRSPA members are required to have in place internal arrangements to regulate compliance with this and other relevant codes of practice. The Association recommends that a senior manager be charged with responsibility for ensuring compliance with the Code. It is suggested that, where possible, this manager is separate from the advertising and marketing departments and from the development of promotional materials.

To the extent possible given a company's size and organizational structure, this process should include a separate review of advertising and marketing materials by a committee which includes membership from employees who are not in the marketing department or who were not involved in the development of the advertising or marketing materials.

WIRSPA members should establish and conduct a training program for employees involved in the advertising or marketing of a member company's brands, including appropriate initial and recurrent training.

Companies should ensure that external consultants, such as public relations, marketing and advertising agencies and third-party distributors working on marketing for the Company are aware of the principles and provisions of this Code.

Companies should also take account of relevant national codes and regulations such as The Portman Group Code on the Naming, Packaging and Promotion of Alcoholic Drinks

(www.portmangroup.org.uk) and other codes in use in export markets.

Where national codes of practice do not exist in individual markets, or where a local code does not enshrine all of the principles of this Code, WIRSPA member companies should follow the principles of this Code.

Additionally, they should work together with member companies and others active in the market to develop a local national code consistent with this practice. If this is unachievable, member companies should ensure that they disseminate a message about responsible drinking consistent with this Code.

WIRSPA shall seek to:

- Provide a mechanism to discuss and have rectified instances of irresponsible advertising and marketing practices of the industry.
- Provide advice to industry stakeholders in regard to developments in the arena of responsible advertising and marketing, responsible drinking, specific concerns related to the implementation of the code.



Complaints Procedure

Informal Procedure

Any WIRSPA producer or other interested party may contact the Association on an informal basis to raise a query relating to a particular marketing execution and its compliance with the Code. Executive staff of the Association shall review the issue and, where required, will raise it with the producer concerned. The company or interested party raising the query shall be kept informed, including of any decision to take remedial action with regard the marketing execution in question.

If a company or interested party raising the query is not content with the outcome they are encouraged to bring a formal complaint in accordance with the procedures set out below.

Formal Adjudication of Breaches

Following investigation by the Executive staff of the Association, complaints raised by industry members or other interested parties, including members of the public, shall be reviewed by the Complaints Committee (the Committee) of WIRSPA.

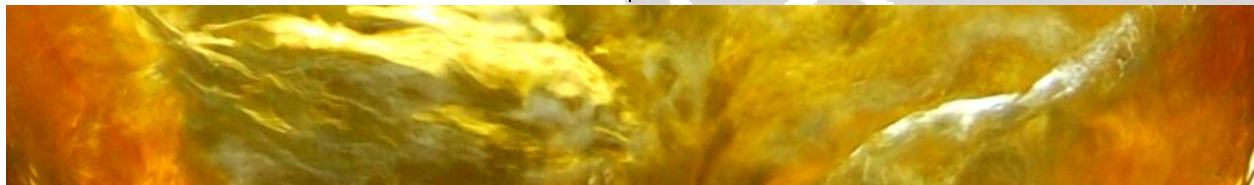
The company which is the subject of the complaint will be notified by email of the date and place of the meeting of the Committee at which the complaint is to be considered and will be provided with a statement of the nature of the complaint. The email will be sent at least 15 days before the meeting and will invite written or if necessary oral representations from the company.

Where a complaint is upheld, and before any public announcement to that effect, the company concerned and the complaining party will be provided with a written statement of the decision and the reasons for it. Within 14 days of receipt of notification of the decision, the company concerned or the complaining party may appeal to the Independent Complaints Panel, failing which the decision of the Committee shall be final. The Independent Complaints Panel shall have the power to review the entire investigation, including the decision of the Committee, and may vary any sanctions imposed by the Committee as it sees fit. Any decision of the Committee, which is subject to the appeal period, or to an appeal, shall be treated as provisional pending a final decision by the Independent Complaints Panel or expiry of the appeal period, as the case may be.

The company which is the subject of the complaint will be notified by email of the date and place of the meeting of the Independent Complaints Panel at which the appeal is to be considered. The email will be sent at least 15 days before the meeting and will invite written or if necessary oral representations from the company.

Following the decision of the Independent Complaints Panel, and before any public announcement, the company concerned will be provided with a copy of the decision in writing, together with the reasons for it.

When enforcing the Code, the Complaints Committee/Independent Complaints Panel shall have regard to the Objectives set out above, and



shall not impose any restrictions on companies which are not indispensable to the attainment of those objectives. Where a complaint is upheld, the Complaints Committee/Independent Complaints Panel, as the case may be, may:

- require swift remedial action to be taken to end the conduct which has been found to be in breach of the Code;
- authorise the issue of a press notice setting out its decision;

In the event of any company failing to take remedial action to end conduct which has been found to be in breach of the Code, the Executive staff of the Association shall bring this to the attention of the WIRSPA Board, which may recommend that the membership of the company in question be terminated, subject to the normal procedures relating to termination of membership of WIRSPA.

The Complaints Committee shall consist of 3 persons appointed by the directors of WIRSPA and drawn from different member companies of the Association. Producers who have an interest in a complaint shall not be eligible for appointment. Each member of the Committee shall have one vote.

Independent Complaints Panel

The Members and Chair of the Independent Complaints Panel shall be appointed by the directors of WIRSPA and shall not include any person employed by The Association or by any of its Member Companies. The WIRSPA Executive will however provide administrative support.

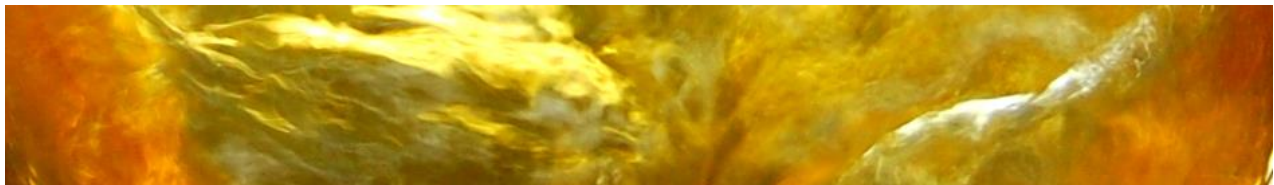
The Association will publish the findings and recommendations of the Independent Complaints Panel, and the action taken by the company concerned.

Competition Proviso

WIRSPA and its member companies undertake that they shall not use the medium of this Code to engage in any acts or omissions (such as the exchange of sensitive trading information) which may breach applicable competition law.

Complaints and Queries

If you have any questions regarding this Code or the adherence of a particular brand marketing, promotional or advertising activity subject to the Code, please write or send an email to wirspa@wirspa.com.





The Authentic Caribbean Rum (ACR) marque was developed as a symbol of authenticity, provenance and quality for rums within the WIRSPA family. It is be used to promote the development of Authentic Caribbean Rum as a distinct sector within the drinks industry. As usage of the marque grows it will act as a visual symbol to help trade customers and consumers identify ACR brands.

The West Indies Rum and Spirits Producers' Association Inc. (WIRSPA) is an 'association of associations' in that it represents distillers associations from across the ACP Caribbean*.

WIRSPA is governed by a Board of Directors which meets several times a year. The Chairmanship rotates and is the subject of an annual election.

*ACP stands for 'Africa, Caribbean and Pacific'. The ACP Caribbean states are the countries that are signatories of the Lomé Convention signed in 1975. This was superseded by the Cotonou Agreement in June 2000.

