



COMMUNICATION ON ENGAGEMENT FROM THE INTERNATIONAL ALLIANCE FOR RESPONSIBLE DRINKING (IARD) TO THE UNITED NATIONS GLOBAL COMPACT, 2022

IARD is supported by 13 of the leading global beer, wine, and spirits producers, who have come together in their common purpose of being part of the solution in reducing the harmful use of alcohol.

STATEMENT BY IARD'S CHIEF EXECUTIVE OFFICER AND PRESIDENT

The International Alliance for Responsible Drinking (IARD) and its 13 member companies are fully committed to reducing the harmful use of alcohol as a contribution to economic and social development and to the United Nations' (UN) Sustainable Development Goals (SDGs). We support a whole-of-government, whole-of-society approach to fighting non-communicable diseases (NCDs). Through our partnerships, we utilize the collective efforts and unique contributions of not only the leading beer, wine, and spirits producers, but businesses from a range of sectors, working to positively impact lives by helping deliver sustainable growth, development, and improved health outcomes.

Our initiatives continue to fully support and promote the United Nations Global Compact, and our mission is in accord with its guiding principles. Over the past two years, our members have built upon commitments already made to tackle the harmful use of alcohol, developing new actions to raise global standards in alcohol ecommerce and online marketing safeguards, and expanding our partnerships to further maximize collective efforts and contributions.

The COVID-19 pandemic changed the way people consumed beer, wine, and spirits; with cafés, bars and restaurants shut, the online sale and delivery of these products grew. Our members recognized the significant responsibility that accompanied this growth. In line with our commitment to combat underage drinking, our members partnered with 14 (now 17) prominent global and regional online retailers, and e-commerce and delivery platforms to **launch global standards** for the online sale and delivery of alcohol. Through these, our efforts to combat underage drinking by preventing sales to minors continues.



A handwritten signature in black ink, appearing to read 'H. Ashworth'.

Henry Ashworth
IARD CEO and President

Similarly, as the way consumers interact with our brands continues to change, our members have developed tools to support brands, agencies, and influencers who market alcohol on social media. These tools help ensure that they create responsible content and help prevent those who are underage from seeing alcohol marketing. We have worked with the largest digital platforms to provide individuals with the ability to opt-out from receiving alcohol marketing. Our members have also extended their consumer information commitments to include energy and alcohol content and warnings against drinking during pregnancy or driving when intoxicated, as well as symbols or words that discourage underage drinking.

We remain committed to playing an active role in global efforts to reduce the harmful use of alcohol and to promote better health and wellbeing worldwide. We continue to support our members and partners in delivering on their commitments and to challenge them to go further and expand our wide coalition of actors in support of the United Nations Global Compact and efforts to achieve the UN SDGs.

ABOUT THE INTERNATIONAL ALLIANCE FOR RESPONSIBLE DRINKING (IARD)

IARD¹ is a not-for-profit organization dedicated to addressing harmful drinking worldwide. IARD is supported by leading global beer, wine, and spirits producers, who have come together for a common purpose: to be part of the solution to reduce the harmful use of alcohol. To achieve this, we work with public sector,

civil society, and private stakeholders. IARD actively supports international goals to reduce harmful drinking, including the targets in the United Nations' Sustainable Development Goal (SDG) 3.5, and the World Health Organization's (WHO) "Noncommunicable Diseases (NCD) Global Monitoring Framework" of reducing the harmful use of alcohol by at least 10% by 2025. Our member companies also positively impact a broad range of SDGs and are determined to promote sustainable development for all².



KEY ACTIONS SINCE LAST COMMUNICATION ON ENGAGEMENT

IARD and its member companies remain committed to contributing to the achievement of the UN Sustainable Development Goals, and particularly to reducing the harmful use of alcohol. The Political Declaration of the 3rd High-level Meeting of the General Assembly on the prevention and control of non-communicable diseases in 2018 called upon the private sector – specifically economic operators in the area of alcohol production and trade – to contribute to reducing the harmful use of alcohol. Furthermore, it specified our sector should take concrete steps towards eliminating the marketing, advertising, and sale of alcoholic products to minors.

We have been dedicated to delivering upon that challenge over the past four years and have made substantial progress, particularly during the last two years.

Global standards for online alcohol sales and delivery

In May 2021, IARD's member companies

formed a global partnership with 14 (now 17) prominent global and regional online retailers, and e-commerce and delivery platforms to launch global standards for the online sale and delivery of alcohol. Together they identified **five key safeguards** to help ensure that robust standards are in place throughout the entire supply chain and customer journey to prevent online sale to those underage and to combat harmful drinking as the growth in e-commerce accelerates.

- ▶ Verifying sales to those over legal purchase age
- ▶ Preventing delivery to those underage, intoxicated, or where prohibited by law
- ▶ Training tools, information, and education of drivers
- ▶ Enhancing consumer information and control
- ▶ Monitoring

This international initiative is part of IARD members' wider efforts to combat underage drinking by preventing sales to minors, and to reduce harmful drinking – it also speaks directly to the 2018 UN Political Declaration.

¹ www.iard.org

² <https://iard.org/getattachment/e75fd5b8-3551-4e65-9f5a-a9ca07b6a5f9/iard-partnering-for-progress.pdf>

Global standards for influencer marketing

The increased use of digital channels has transformed the way people interact with brands and see advertising. In September 2021, IARD members formed a unique partnership with 13 leading global advertising, public relations, and influencer agencies to lead the way in setting robust standards for the marketing of alcohol on social channels.

IARD members launched a set of tools to support brands, agencies, and influencers who market alcohol on social channels in creating responsible content and helping prevent those underage from seeing alcohol marketing.

- ▶ The **Influencer Guiding Principles** set out five specific safeguards that apply to any content involving influencers who work with the leading beer, wine, and spirits producers.
- ▶ The **Influencer Pledge** is a joint commitment from IARD members and agencies on the standards they will adhere to when marketing alcohol, with a focus on transparency, abiding by local laws, and promoting understanding of responsible drinking in the content they produce.
- ▶ Our **Influencer how-to video** clearly shows influencers the standards they should follow when promoting alcohol on their social channels.

New consumer information

In response to the 2018 United Nations Political Declaration on NCDs, and informed by recent dialogues with the WHO³, we are rolling out easily-understood consumer information⁴.

Our consumers around the world will find energy and alcohol content information on labels. Additionally, products containing alcohol will carry symbols or a form of words warning against drinking during pregnancy and driving while intoxicated. This builds on our commitment in 2020 to include symbols or written age restriction

reminders on our alcohol brands – including alcohol-free extensions of these brands – to send a clear message that minors should not consume alcohol. All three warnings will appear across markets globally, and we will focus on providing this information about harmful drinking to those communities where there is no current regulatory requirement in place. Additionally, we will encourage the other producers throughout our sector to join us in taking action and helping consumers in every community to make informed decisions about whether or not to drink.



MEASUREMENT OF OUTCOMES

IARD and its members recognize the importance of regular monitoring of commitments and standards executed across the many markets worldwide. Implementation and monitoring are executed by local partners in different ways, according to context. Below, IARD describes some important ways our initiatives have grown over the past biennium.

Digital Guiding Principles

IARD first developed Digital Guiding Principles for the online marketing of beer, wine, and spirits in 2018. Subsequently IARD has pursued independent monitoring through external partnerships to ensure these standards have been fully incorporated by IARD Members.

3 <https://www.who.int/news-room/events/detail/2020/12/10/default-calendar/who-dialogue-with-representatives-of-economic-operators-in-alcohol-production-and-trade> and [https://www.who.int/news-room/events/detail/2021/06/29/default-calendar/who-2021-dialogue-\(virtual\)-with-representatives-of-economic-operators-in-alcohol-production-and-trade](https://www.who.int/news-room/events/detail/2021/06/29/default-calendar/who-2021-dialogue-(virtual)-with-representatives-of-economic-operators-in-alcohol-production-and-trade)

4 <https://www.iard.org/press/Consumer%20Information>

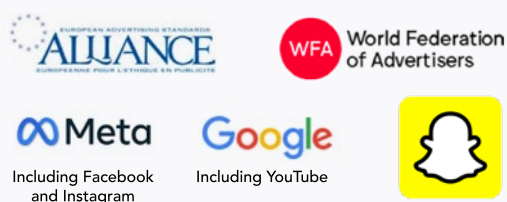
In 2019, more than nine out of 10 profiles (brand websites or social media accounts) included age-affirmation mechanisms, a forward advice notice, a responsible drinking message, and a transparency message to make clear their commercial purpose⁵. Furthermore, messages that warned consumers that posts promoting inappropriate or excessive alcohol consumption were present appeared on more than eight out of 10 sites in 2019. In terms of overall compliance, this marked a significant improvement with 81% of all profiles having safeguards in place, up from 67% in 2018.

In 2021, Nielsen conducted an independent study using avatars to mimic individuals being online across 12 different countries⁶. In total, 121,232 advertisements were analyzed over a three-week period in October. The study found that only 0.82% of ads seen online were for alcohol and a minor would be served one alcohol ad per 420 websites visited. This would translate into a minor being served one alcohol ad every 18 hours and 41 minutes online. IARD members will continue to work towards eliminating exposure of alcohol marketing to children online.

Preventing underage exposure to online alcohol advertising

IARD's last Communication on Engagement highlighted important work that we were undertaking to enter into partnership with leading digital platforms to prevent minors from seeing alcohol marketing online, as well as giving people greater control over whether they see alcohol-related marketing online. As of today, IARD has secured five partners in this initiative and has engaged with five additional potential partners to extend these safeguards across the internet.

Current partners include:



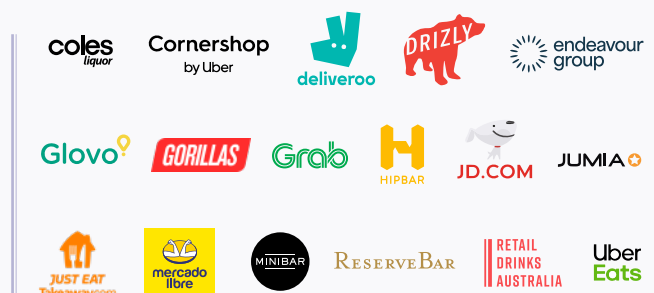
Changes introduced as a result of these partnerships include:

- ▶ Google allowing people to opt out of seeing alcohol advertising across its ecosystem
- ▶ Instagram introducing age-gating of posts for influencers
- ▶ Snap allowing people to opt out of seeing alcohol advertising

Online sales and delivery partnership

To date, IARD has secured 17 partnerships to implement the e-commerce standards, and IARD is engaging with relevant organizations at a local and regional level to support the development of in-country codes for the online sale of delivery of alcohol beverages that build on local and national regulation. In addition, IARD has developed frontline agent training to empower delivery agents to comply with the law and deny delivery where necessary.

Current partners include:



Global standards for Influencer Marketing

To date, 13 agencies across the globe have signed up to the Influencer Pledge:



⁵ <https://www.iard.org/getattachment/88113915-8901-468a-a048-712f266472c1/Digital-Guiding-Principles-2019.pdf?lang=en-US>

⁶ <https://wfanet.org/knowledge/item/2022/03/29/Independent-study-shows-low-ad-exposure-to-alcohol-ads-online>