



Alcoholic Beverages Marketing Code of Practice

Introduction

Under the provisions of the Constitution of the Kingdom of Thailand, the Liquor Act B.E. 2493 (1950) had been passed to endorse the productions and sales of alcoholic beverages under the regulation of the Excise Department of the Ministry of Finance. Formerly, all alcoholic beverage productions and sales were monopolised by the government until 1999. The alcoholic beverage industry was liberalised in 2000.

Thai Beverage Public Company Limited and its subsidiary companies (“**ThaiBev**”) now owns 18 distilleries and 3 breweries in Thailand and operates under various laws and regulations, mainly the taxation and regulation of the Liquor Act B.E. 2493 (1950) and the Alcohol Beverages Control Act B.E. 2551 (2008).

Alcoholic beverages bring enjoyment to millions of adults every day, all over the world, as they have done for thousands of years. ThaiBev honours the unique part that alcohol plays in the social lives and celebrations of Thailand’s culture specifically and many other cultures. Yet ThaiBev also recognise that alcoholic beverages may be consumed irresponsibly, creating problems for individuals and society as a whole. ThaiBev therefore has a responsibility to ensure that its brands are advertised and marketed responsibly.

Scope of the Code of Practice

The Alcoholic Beverages Marketing Code of Practice (“**Code of Practice**”) enforcement is in addition to any related documents and/or any other agreements which advertising agencies have entered into with ThaiBev. In the event of discrepancy between the Code of Practice and such documents and/or agreements, such documents and/or agreements shall prevail.

The Code of Practice applies to all activities that ThaiBev carries out in order to market its brands. This includes brand advertising, on-trade and off-trade activities, brand innovation, consumer engagement marketing, consumer-reaching plan, relationship marketing, public relations, and brand site and content development.

Brand names and packaging must abide by the principles of the Code of Practice in addition to meeting Thailand’s regulatory requirements.

1. Compliance with laws and regulations

Activities related to the marketing of alcoholic beverage brands, sale and advertising of alcoholic beverages shall comply with all local laws and regulations.

The Code of Practice simply sets out some general principles that will be applicable to all alcoholic beverage products that ThaiBev promotes in Thailand. These principles are also extended to countries where ThaiBev market its products, in addition to observing the respective local alcohol regulations.

2. Underage provisions

ThaiBev understands how critically important it is to ensure that underage purchasers are not targeted, even unintentionally, by its marketing activities.

ThaiBev will demonstrate this in the following ways:

- 2.1 ThaiBev will only place its advertising in communications media or at events where a majority of the audience can reasonably be expected to be over the appropriate legal purchase age for alcoholic beverages. ThaiBev's agency partners and media buyers will be made aware of this commitment and are expected to help us comply with it.
- 2.2 ThaiBev's website and other activities on the internet will ask for confirmation that those who use the site are over the appropriate legal purchase age for alcoholic beverages according to Thai laws.
- 2.3 People shown in advertisements for ThaiBev's alcoholic brands must be older than the respective legal purchase age for alcoholic beverages.
- 2.4 ThaiBev will not use any image, symbol, cartoon character or person that has an appeal towards underage persons as the primary target.
- 2.5 ThaiBev will not allow the presence of its alcoholic brands, logos, trademarks on children's clothing, toys, games or other products aimed to be primarily used by underage persons.

3. Responsible drinking provisions

ThaiBev believes that the brand advertising portraying responsible drinking in a relaxing, socialising and enjoyable manner plays a part in promoting responsible drinking.

Additionally, marketing communication shall represent responsible drinking within the proper limit. ThaiBev shall not encourage excessive or irresponsible alcohol consumption, or communicate that intoxication is favourable.

ThaiBev shall not portray images of excessive or rapid drinking as, or suggest that such behaviour is appealing or befitting.

4. Abstinence

ThaiBev shall not undermine abstinence or suggest that refusing to drink is wrong or unreasonable. There are situations in a person's life when drinking is unacceptable; for example, when taking certain medications or when drinking may affect the driving ability. There are also people who refuse to drink entirely and ThaiBev respects their choice.

5. Offensive advertising

ThaiBev expect its marketing teams and its advertising agencies to ensure that our brand communications will not present any images, symbols or persons considered gratuitously offensive or demeaning to either gender or to any race, religion, and culture or minority group.

6. Alcohol content

ThaiBev will not emphasize on high alcohol content as the main feature to attract customers. Giving facts on the alcohol content contained in an alcoholic beverage will enable consumers to be well-informed while making a decision, if permitted by law, but

strength should never be the dominant theme of any advertisement or other brand communication materials.

7. Medicinal or therapeutic value

There is a large body of literature on the benefits and risks of drinking alcoholic beverages. Stories about possible health risks or benefits derived from drinking appear frequently in the popular news media. ThaiBev believes that, for the general public, moderate alcohol consumption can be healthy and is a part of balanced lifestyle. However, ThaiBev will not promote alcohol as a medicine. ThaiBev's advertising and materials will not imply that alcoholic beverages have the ability to prevent, treat or cure any human disease. Nor will they create the impression that alcohol consumption enhances mental ability or physical performance, e.g. when engaging in sports. ThaiBev will not promote its brands as "energy drinks".

8. Drinking and driving

ThaiBev's advertising and promotional media will not show any activities or locations where alcohol consumption is unsafe and imprudent. The Company's marketing communication will not imply that alcohol consumption before or during operating machinery, driving or performing a task where concentration is required is acceptable.

9. Social success and sex appeal

Majority of people who drink consider drinking as a source of enjoyment associated with socialisation and friendship. ThaiBev reflects this idea through its brands advertisement and usually portrays responsible drinking as a fun way to relax and socialise among friends. Even though a brand choice may reflect good taste and smart consumption, ThaiBev will take actions to ensure that its advertisements and activities shall not suggest that alcohol consumption would make consumers more sexually desirable or is necessary in gaining social acceptance and sexual attractiveness.

10. Anti-social activities

ThaiBev will ensure that its marketing communications do not suggest any association with violence or with anti-social behaviour. ThaiBev will ensure that the language ThaiBev use in advertisements or other brand communications does not contain any direct or indirect references to drug culture or illegal drugs.

11. Activities

ThaiBev's on-trade and off-trade activities will encourage responsible consumption by those adults who drink on their own accord, but the Company will not endorse any activities encouraging excessive drinking.

ThaiBev will not support any events that include a game where drinking rapidly or in large amount is the rule of the game.