c o d e f o r r e s p o n s i b l e ADVERTISING & MARKETING PRACTICES





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PRESIDENT'S MESSAGE

This Wine Growers Canada Code for Responsible Advertising and Marketing Practices applies to all Wine Growers Canada member activities and will enable our membership to deliver on their promotional goals and meet the highest standards of responsible marketing and advertising.

The Wine Growers Canada membership believes that strong advertising commitments such as these are effective in meeting the expectations of consumers and stakeholders. In a world where messaging is rapidly changing and consumer information channels are evolving, the Canadian wine industry is proud to undertake marketing and advertising of wine in a way that exhibits the highest ethical standards and demonstrates social responsibility as a core value of the industry.

With the implementation of this Code, Wine Growers Canada will continue to deliver a message of social responsibility to its members in compliance with our commitments to convey not only the highest ethical standards in advertising and marketing of wine, but also the consumption of wine in moderation.

Dan Paszkowski President and CEO



Wine Growers Canada (WGC) is the national voice of the Canadian wine industry, created in 1967, and represents over 90% of all wine produced in Canada. WGC brings together our membership to advocate on public policy and regulatory initiatives by working cooperatively with governments and other stakeholders to find solutions that benefit both society and the entire Canadian wine industry.

The WGC takes social responsibility very seriously, and has developed this Code for Responsible Advertising and Marketing Practices ("Code") to provide guidance to WGC members and their employees.

While no Code or set of guidelines can cover all regulations, policies and social norms across the Canadian marketplace, this Code is meant to provide an essential framework for responsible communication activities to advertise and market the products of WGC members to those of the legal purchase age.

Drinking alcohol is a personal choice, and for those who choose to drink, WGC members support responsible wine consumption to promote a culture of moderation and healthy lifestyles.

WGC and its members are committed to ensuring that wine products are marketed to consumers of a legal purchase age in a responsible manner. WGC remains committed to working with its industry partners and consumers to ensure that social responsibility activities, like this Code, help support moderation and low-risk drinking.



APPLICATION

The Code applies to all marketing communications, including, but not limited to:

- Product labelling and packaging
- Wine trade and consumer shows and promotional events (e.g., tastings, culinary pairings, etc.)
- Sponsorships (e.g., music festivals, sporting events, etc.)
- All forms of digital communications (e.g., internet, mobile, social media, etc.)
- Point of sale materials, direct mail, outdoor displays, sponsorships, promotions
- Advertising and product placements (e.g., radio, television, movies, video, etc.)

The Code applies to all winery and winery association members of Wine Growers Canada, in support of a culture of moderation.

RESPONSIBLE CONTENT

Wine advertising and marketing materials are intended for consumers of legal purchase age, and shall portray wine in a socially responsible manner, and should not (visibly, audibly or by direct implication):

- 1.1. Portray or give the impression, visually or in sound, that wine is being actively consumed, including any portrayal of excessive consumption, misuse or abuse of wine which is inconsistent with Canada's <u>Low-Risk</u> <u>Drinking Guidelines</u>;
- 1.2. Portray drinking and driving a motorized vehicle or combining drinking with engagement in any potentially hazardous activity or activity which requires a degree of skill or care (e.g. boating, hunting, horse-riding);
- 1.3. Portray persons in a state of intoxication, lacking control over their behaviour, or suggestive that excessive alcohol consumption is amusing or socially acceptable conduct;
- 1.4. Contain any inducement to prefer one alcoholic beverage over another due to its higher alcohol content or the effect that its higher alcohol content may produce (e.g., "At 14%, Estate Wine has bite" would not be permitted);
- 1.5. Portray illegal activities of any kind, including illegal drugs;



- 1.6. Represent or portray the co-consumption of illegal drugs alongside alcohol, or the co-consumption of legal drugs with alcohol, where the latter are known to interact with alcohol;
- 1.7. Portray or encourage violent or aggressive behaviour;
- 1.8. Make representations about drinking wine for the resolution of personal or health problems;
- 1.9. Claim that wine consumption is the cause of contributing towards personal, professional, athletic or other success.

RESPONSIBLE POSITIONING

- 2.1. Advertising and marketing materials should not be directed towards, or be primarily appealing to, consumers below the legal purchase age (e.g., use of fairytale characters, nursery rhymes or children's songs);
- 2.2. Advertising and marketing materials should not contain endorsements by celebrities whose primary market are minors who are either under the legal purchase age, or who have strong appeal to those under the legal purchase age;
- 2.3. Advertising and marketing materials should only be placed in media (television, radio, print) communications where the majority of the audience is reasonably expected to be of legal purchase age. Media placements should be reviewed on a regular basis (at least once annually) and will be considered reasonable if the statistical majority of the audience composition data is above the legal purchase age;
- 2.4. Wine products 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;
- 2.5. Wine products should not be promoted on outdoor billboards in the immediate vicinity (200 meters) of an elementary/secondary school;
- 2.6. Producers will not permit brand identification on equipment (e.g., games, toys) designed primarily for use by minors, and will limit the manufacture of branded/logoed clothing for retail sale to adult-only sizes;
- 2.7. Advertisement and marketing initiatives should not portray alcohol consumption as a rite of passage to adulthood;



- 2.8. Advertisement and marketing initiatives should not be directed towards, or feature, pregnant women;
- 2.9. Advertisement and marketing initiatives should not present abstinence or moderation in a negative way, or imply that this offers less enjoyment in any way;
- 2.10. Brand names and associated branding should not employ terms associated with irresponsible alcohol consumption or intoxication.

PROVINCIAL LAWS AND REGULATION

The Code does not replace federal, provincial or territorial laws, policies and/or regulations.

- 3.1. Advertising or marketing should not be targeted to anyone under the legal purchase age of 18 years in the provinces of Alberta, Manitoba and Quebec;
- 3.2. Advertising or marketing should not be targeted to anyone under the legal purchase age of 19 years in the provinces of British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Ontario and Saskatchewan and in the Canadian territories of the Northwest Territories, Nunavut and Yukon.

PROMOTIONAL EVENTS AND ACTIVITIES

Wineries and wine associations play a valuable role in supporting events and activities, to increase knowledge of their products and through wine education. It is important that these promotional events are conducted in a responsible manner, ensuring that:

- 4.1. All on-/off-trade promotions encourage responsible drinking for those adults who choose to drink, and do not support activities that encourage excessive or irresponsible consumption, such as drinking games;
- 4.2. Wine shall not be promoted at events whose primary audience is people under the legal purchase age (e.g., a children's concert) or at events where less than 51% of the audience is expected to be over the legal purchase age;
- 4.3. All promotional advertising in support of events and all promotional materials distributed at them are fully consistent with this Code;



- 4.4. Wine samples poured at promotional events are served by staff who are over the legal purchase age and who are trained in responsible alcohol service, in accordance with provincial requirements;
- 4.5. Promotional events will encourage responsible drinking and wine products will not be served to visibly intoxicated persons or to those under the legal purchase age.

COLLEGES AND UNIVERSITIES

- 5.1. Promotional activities for wine shall be conducted on college/university campuses only in accordance with requirements and accepted practices established by these institutions. In such circumstances, wine sampling should be conducted in conformity with applicable federal, provincial/territorial and municipal laws, regulations and policies governing the responsible serving of alcohol.
- 5.2. Wine products will be advertised on college/university campuses and in college/university newspapers only in accordance with requirements and accepted practices established by these institutions.

DIGITAL MEDIA

- 6.1. An age affirmation mechanism should be implemented, to verify that online purchasers of wine are of legal purchase age.
- 6.2. Social media pages, owned and controlled by a member, should not display any images that invoke the consumption of wine in an irresponsible way.
- 6.3. Social media pages, controlled by a member, should use age mechanisms when available. For example, Facebook pages should be set up to only be available to anyone over the legal age of purchase (this can be done by selecting the "Alcohol Related" age restriction in the Facebook page administration panel under the "Manage permission" category).
- 6.4. Members' social media paid advertising or paid campaigns should be restricted in their visibility to only those over the legal purchase age, where possible.
- 6.5. User-generated content on a site or web page controlled by a member should be monitored and moderated on a regular basis as best practice.



COMPLAINT RESOLUTION

7.1 Complaints about the marketing practices of a WGC member, who is employing marketing/advertising practices inconsistent with this Code, should be sent to the WGC. WGC will conduct an informal investigation and engage with the member in question with the objective of resolving the matter to the satisfaction of all parties.

CODE REVIEW

8.1 The Code will undergo regular review to reflect changes in technology, norms, industry practices, federal and provincial laws and regulations, and where appropriate, will be updated.

FEDERAL AND PROVINCIAL REGULATIONS

This Code applies in addition to federal and provincial regulations, as well as guidance in liquor board policy manuals and issued from time to time by provincial governments, in respect to the advertising of alcoholic beverages. Wineries have an obligation to respect relevant federal and provincial regulations as they pertain to marketing and advertising, including:

Canadian Radio-television and Telecommunications Commission (CRTC) <u>Code</u> for broadcast advertising of alcoholic beverages

Alcohol and Liquor Gaming Commission of Ontario (AGCO) <u>Liquor Advertising</u> <u>Guidelines - Liquor Sales Licensees and Manufacturers</u>

Government of Quebec <u>Regulation respecting promotion</u>, advertising and <u>educational programs relating to alcoholic beverages</u>

Government of British Columbia Liquor Control and Licensing Regulation

Government of Manitoba Liquor, Gaming and Cannabis Regulation

Government of Prince Edward Island Liquor Control Act Regulations



Age affirmation is a mechanism through which a user is required to affirm that he/she is of legal purchase age. Age affirmation processes may vary according to the available technology.

Digital media covers various channels for communications, including interactive forms of online advertising, producer websites and blogs, producer social media brand pages or channels and downloadable applications.

Inducements consist of means to persuade consumers to purchase one product over another via messaging which attempts to persuade a potential purchaser on the basis of alcohol strength.

Legal purchase age is the minimum age required to buy alcohol. It is established as 18 in Alberta, Manitoba and Quebec, and 19 in the remaining provinces and territories. In Canada, legal purchase age is differentiated from legal drinking age as some provinces permit those under the legal purchase age to consume alcohol when in the presence of a parent or person having lawful custody.

Low-Risk Drinking Guidelines are a guide, developed by a team of independent experts and published by the Canadian Centre on Substance Abuse and Addiction in 2012, which outline Canadian standard drink measurements and recommended daily and weekly alcohol consumption limits by gender.

Sponsorships are commercial, contractual agreements between a winery (the sponsor) and a sponsored party or property, establishing an association between the sponsor's brands or products and the sponsored party or property in return for the right to promote this association.

User-generated content is content – including text, videos and images – which is produced by individual users, rather than by a winery.



