

FOSTER'S GROUP LIMITED

SPONSORSHIP AND DONATION GUIDELINES

1. Aim of Sponsorship & Donation

Foster's sponsorship and donation activities aim to build our positive corporate reputation within the communities in which we operate, engage in a mutually rewarding way with our major stakeholders and deliver against commercial objectives.

2. Definitions

Foster's approaches commercial and community sponsorships slightly differently. For this reason, it is important to be clear on the respective definitions. The Sponsorship Process Overview (section 4) is a user-friendly way to determine the nature of a sponsorship and the process to take it forward.

What is a Commercial Sponsorship?

A commercial sponsorship is an agreement to buy an 'asset' or 'level of association', for cash or in-kind (including product) from a licensed rights holder (i.e. venue/event/organization/media) in exchange for leverageable benefits beyond pourage rights. Leverageable benefits typically include:

- Media exposure
- Signage and advertising
- Tickets/hospitality
- The right to use the sponsor's intellectual property (IP) in Foster's marketing
- Merchandise/Licensing
- Product placement

Pourage

Pourage refers to an agreement to buy the rights to sell beverage products at a licensed venue/event. Pourage rights usually involve a form of rebate, whereby Foster's pays a rate per litre to secure the rights to supply product at the venue/event.

Product Donation

This refers to the provision of Foster's beverages to build consumer brand equity or achieve other specific commercial outcomes. Product can be provided within a sponsorship, or on an adhoc commercial basis and costed within lines of business.

What is a Community Sponsorship?

A community sponsorship is an agreement to buy a 'level of association', for cash or in-kind (including product) from a community group or registered charity in exchange for leverageable benefits. These typically include:

- General community benefit;
- Corporate reputational benefit;
- Benefit to key Foster's stakeholders including employees, shareholders, local communities and consumers.

Product Donation

This refers to the provision of Foster's beverages for charitable or other community building purposes. Product donations within a community sponsorship agreement are a component of charitable product donations.

3. Assessment Criteria

Every year Foster's receives thousands of sponsorship requests. While Foster's recognises all requests have individual merit, we must focus the company's resources on business objectives and the perceived benefits to its stakeholders and shareholders.

While the scale and complexity of Foster's business objectives requires multiple sponsorship activities, our intention is to focus on a small number of meaningful and mutually beneficial partnerships.

Our emphasis will be on creating or pursuing activities that contribute the most benefits and are aligned to our business and corporate objectives.

All sponsorship requests must:

- Be consistent with Foster's corporate and commercial brand strategies and clearly specify its role in delivering the wider Foster's mission.
- Where alcohol is involved, present a mature, balanced and responsible approach to consumption of alcohol including:
 - Not challenging or daring people to drink;
 - Not having a strong or evident appeal to children or adolescents [accordingly personalities/celebrities in sponsorship advertising must be 25 years of age or over]; and
 - Being consistent with Foster's policies on alcohol in the community, health, safety, environment and the Foster's in the Community framework. More information at <http://www.fosters.com.au/about/sustainability.htm>
- Provide adequate lead-time for Foster's to maximise their investment. This generally requires a minimum of 12 weeks lead-time for sponsorship requests under \$10,000 and 6 months for those over \$10,000. This allows Foster's the time to plan and execute our promotional strategies.
- Detail the level of exclusivity in the beer, wine, spirits, RTD, cider and non-alcohol beverage categories from a marketing and pourage rights perspective. A sponsorship property that delivers total beverage exclusivity to Foster's will be considered more favourably.
- Have a clearly defined sponsorship plan with key accountabilities, objectives, key performance indicators and measures, resourcing, execution, timeframes and processes concerning review.

Assessment Criteria (cont...)

In addition to the general criteria, commercial sponsorship requests will also be assessed for:

- their ability to connect to a Foster's consumer group;
- alignment or fit with a Foster's brand;
- leverage opportunities associated with the sponsorship;
- the benefits the sponsorship offers;
- direct beverage sales opportunities; and
- any competitive advantage the sponsorship delivers.

Community sponsorship will focus company contributions and support to community initiatives in three core areas:

- Wellness - supporting projects that promote good physical and mental health
- Culture - supporting artistic and cultural projects and endeavours
- Environment - supporting projects that benefit the natural environment.

In keeping with the Foster's community giving philosophy, we will give priority to non-profit and charity organisations based in communities where our people live and work.

In addition to the general criteria, community sponsorship requests will also be assessed for:

- their community benefit;
- positioning opportunities with Foster's key stakeholders;
- employee involvement opportunities associated with the sponsorship;
- alignment or fit with a Foster's brand; and
- any competitive advantage the sponsorship delivers.

Foster's will not sponsor:

- religious or political organisations, unless it considers the benefit provided is genuinely charitable and available to the broader community on a non-denominational basis.
- organisations or groups who discriminate or limit membership based on race, gender, beliefs, class or cultural considerations.

4. Sponsorship Process Overview

Below is a summary of our Sponsorship process. We ask that you familiarise yourself with the process before applying online. Foster's aims to respond to each applicant within four weeks.

1. Review Foster's Sponsorship & Donation Guidelines
2. Decide whether your application is 'commercial' or 'community'
3. Complete either the online Commercial or Community application form

These guidelines are indicative only and they are not intended to limit the ability of Foster's to approve or reject a sponsorship application for other reasons.

Should you have any enquiries about any elements of the application process, or wish to check on the progress of your request if you have not received correspondence in four weeks from the time of submission, please email us at:
sponsorship.requests@fostersgroup.com