



**RESPONSIBILITY
FOUNDATION**

Creating a society that is more humane and compassionate.



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Retail Alcohol Sales Prospectus



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Chair's Letter of Introduction

It is with a great sense of pride and achievement that on behalf of the Board, our Partners and our Advisors, I announce the arrival of the Responsibility Foundation.

The Responsibility Foundation is the result of taking a strong conceptual understanding of our relationship with alcohol and coupling it with a collective desire to create unique and transformational opportunities for funding services across our communities.

Under the auspices of the Foundation we have brought together some of the most creative and innovative thinking from some of the most outstanding people and organisations in Australia.

As a Foundation we set out to develop a partnership approach that adopts the important socially-based responsibility we have seen from corporations, governments and the community sector. Our goal is to support and positively contribute to creating a more humane and compassionate society in which we all aspire to live.

At times the debate was vigorous but always enlightening. It was a task that has been rightly taken on with the passion and commitment needed to ensure the success of the Responsibility Foundation to deliver the support needed by so many people across our country.

For far too long the interactions between the alcohol industry, community and health sectors have been based on an old style rhetoric and conflict model. This is despite many of us knowing that what the public really seeks are positive answers and responses to the harms they sometimes see and experience as a result of alcohol misuse.

The Responsibility Foundation is the necessary vehicle to deliver the response sought by the public.

However, the success of the Foundation and its efforts to change the approach from the current outdated and negative model, to one reflecting community needs and aspirations will only be possible with the engagement of the alcohol industry.

In extending our hand of friendship and co-operation to the industry we are appealing to your responsibility as a good corporate citizen by offering a unique opportunity to collaborate with us in this endeavor. We want you to support this change and become our Industry Partner to help make our communities healthier and safer.

The Responsibility Foundation will make a real difference and its impact will be felt in the lives of individuals, families and communities across Australia – all we need now is the industry to commit to making such change a reality.

I invite you to read this prospectus and then join us on this journey.



Gino Vumbaca
Chair & Co-Founder
Responsibility Foundation

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SETTING THE SCENE

Current Environment

Understanding the current environment is a difficult task. The complexities of interpreting the varied data and statistical analyses available often serve to blur rather than clarify. When reviewed with the vast range of polarised commentary and discussion available in the public discourse, it is easy to understand the confusion that exists. This is a confusion that has at times led to adverse policy responses or lack of action by government sectors.

There is however a very strong convergence of needs that exists for the community, health and welfare services, law enforcement and the alcohol industry.

The health, welfare and law enforcement sectors are facing an ever growing demand on their services as a result of alcohol misuse. This is creating significant pressure on existing resources, especially as they are primarily funded by governments and therefore must operate within an increasingly tighter financial environment. At the same time, the alcohol industry is facing growing community pressure and concern over the ongoing impact, harms and costs associated with alcohol misuse.

As a result, there is continual pressure at the political level for reform of the alcohol industry and in particular more restrictive trading practices and increased excises on alcohol products to reduce the current levels of harm.

Simultaneously, health and welfare officials, as well as law enforcement officials, continue to pursue and advocate for greater levels of funding and more effective public policies to mitigate any harm associated with alcohol misuse.

In contrast, the alcohol industry contest that these harms stem from the irresponsible actions of a minority and seek to stop or reduce the impact of any proposed changes in policy and pricing.

This current impasse has developed into a cycle of ever more difficult and unproductive relationships between these sectors that hinders the ability to serve the broader interests of the community.

However, this situation also provides a unique opportunity for a sustainable new model of engagement between these sectors.

In short, the purpose of the Responsibility Foundation is to provide an appropriate mechanism and organisation for industry funding to address the issues that arise from the misuse of alcohol to allow both a sustainable alcohol industry and community-based services sector in Australia.

In essence, this new framework is the establishment of a positive and co-operative approach in Australia to provide far greater financial assistance from the corporate sector to services for people, families and communities, suffering from the harms associated with alcohol misuse.

This innovative approach will require an understanding and acceptance from each sector involved that:

- *All of us* are part of the community within which we live;
- *All of us* have family, friends and loved ones that make up our community; and
- *All of us* wish to see a safer and healthier community that provides a brighter future for generations to come.

It will also require an understanding that each sector involved has a role to play in:

- *Addressing* the harms caused for some by alcohol misuse;
- *Accepting* the legitimacy of each sector's involvement; and
- *Respecting* the different public policy positions that may occur at times.



“The work of the not-for-profit sector is vital to the ongoing development, health and well-being of Australia. The potential of corporate Australia adding real value to their important contributions to Australian life by supporting the not-for-profit sector is greatly enhanced by the arrival of the Responsibility Foundation.” Community Council for Australia



YOUR OPPORTUNITY

Executive Summary

The establishment of the Responsibility Foundation serves to provide you with an opportunity to contribute to the health and well-being of Australian communities. Our core is modelled on a partnership approach that involves your ongoing financial contribution to our independent organisation.

Your financial contribution will be based on an agreed percentage of alcohol sales, which is remitted to the Foundation for distribution.

The funds provided to the Foundation by you will then be distributed via an agreed and transparent process, which includes a range of selection criteria. Your contribution will provide significant funding to community-based not-for-profit services that are addressing the direct and indirect harms associated with alcohol misuse.

Specifically, the funds being raised are for distribution to the community-based services sector to achieve a greater level of service availability for people across Australia.

See Foundation Revenue section on page 13 for more details.

The Foundation is also committed to working with Industry Partners to ensure that you and your contributions are appropriately and publicly acknowledged.

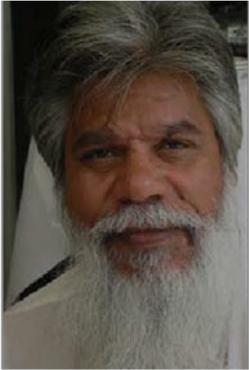
To ensure ongoing support and effective use of the funds received and disbursed by the Foundation, we will collaborate with all levels of government and the not-for-profit sector.

The Foundation's work will also be guided and informed by key advisors to provide expert input across the spectrum of issues affecting communities, as well as key corporate partners in the fields of finance, law and marketing.

To join this opportunity, you and all alcohol industry corporations and organisations are being invited to join the Foundation as an Industry Partner.

The Foundation provides the first real and ongoing opportunity for the full range of relevant industry, government, health and welfare sectors to work collaboratively to provide additional funds to services to address the alcohol issues affecting our communities.

FOUNDATION CO-PATRONS



Ted Wilkes A.O.

Associate Professor, National Drug Research Institute, Curtin University WA.

Mr Wilkes served as a member of the Australian National council on drugs and was the founding chair of the National Indigenous drug and Alcohol committee. His lifelong involvement in Aboriginal affairs has seen him hold senior positions at the Western Australian Museum, the Centre for Aboriginal studies at Curtin University and the Derbarl Yerrigan health service.

Serving on a range of committees working towards improving health outcomes for Aboriginal people has allowed him to work collaboratively across organisations, governments and communities to translate beneficial research findings into sustainable health policy and practice.



David Crosbie

CEO, Community Council for Australia

Mr Crosbie is CEO of the Community Council for Australia, an organisation dedicated to building flourishing communities, primarily by enhancing the work of the not-for-profit sector in Australia.

Mr Crosbie has spent more than 20 years as CEO of significant not-for-profit organisations including the Mental Health Council of Australia, the Alcohol and other drugs council of Australia and Odyssey House Victoria.

His appointments extend to the Advisory Board for the Australian charities and Not-for-profit commission, the Not-for-profit sector Reform council, the Foundation for Alcohol Research and education and the National compact expert Advisory Group. He has also received numerous awards recognising his contribution to the mental health and alcohol and drug sectors.

FOUNDATION BENEFITS

Benefits to the public

The Responsibility Foundation is committed to improving the health and well-being of people living in communities across Australia.

Currently, a lack of funding is restricting the number and availability of services to the community.

However, with your commitment and involvement in the Foundation, significant levels of new funding can be provided. As a result, communities can expect an increase in the quality and availability of the support they need. This support will contribute greatly to improving the health and well-being of people, by assisting services that reduce the harmful consequences associated with alcohol misuse. It also provides assistance and support to a range of people in need, including the families and friends of those directly affected.

The Foundation will also work with communities and organisations to increase the understanding and acceptance of responsibility for all involved in the consumption of alcohol. This will again provide a direct benefit to the health and well-being of communities.

Key Points:

- Increased health and well-being.
- Increased availability and accessibility to community support.
- Reduced harms from alcohol.
- Increased responsibility regarding alcohol consumption.



Benefits to Services

A lack of growth funding currently impacts many community-based services. The establishment of the Responsibility Foundation is set to ease some of this hardship by providing a significant new stream of funding.

A majority of community-based services rely heavily on government funding for their ongoing operational budgets. The current economic challenges faced by most government budgets have severely restricted their ability to maintain and enhance current funding levels. The impact of these budgetary constraints has been problematic for services and their clients.

A new funding stream not only provides an opportunity for these community-based services and their clients to grow but also provides a significant opportunity for funding to be available for capital improvements in services. Capital funding is often very difficult for community-based services to attract and in reality is often unavailable. Contrary to the funding environment currently faced by community-based services, the Foundation will provide an ongoing opportunity for funding assistance.

A key feature of the Foundation will be its ability to provide funding in a flexible and transparent manner. This will include opportunities for innovative ideas for providing services to communities.

The expertise and experience of the Foundation will provide a well-informed insight into the difficulties faced by community-based services when meeting compliance requirements for government funding. While ensuring compliance, the Foundation, will also be positioned to better understand and meet the needs of community-based services by streamlining and simplifying the process.

It is important to understand that the level of funding provided by the Foundation to community-based services from our Industry Partner contributions is anticipated to be far more than any new contributions made by governments from an increase in alcohol taxation. *This is further explained on pages 13 & 14.*

Key Points:

- Availability of a new significant and transparent funding stream, additional to government funding.
- Greater access for funding capital projects.
- Increased opportunities for funding of innovative services and programs.
- Streamlined compliance requirements.
- Greater level of contribution to services.



“We strongly endorse the Responsibility Foundation. We speak to families across Australia and they are desperate for more support and assistance to help manage the impact of alcohol misuse. Bringing greater resources for services helping families will be loudly applauded.” Family Drug Support

Benefits to Government

The Responsibility Foundation will work in collaboration with Governments (Federal, state & Territory) to ensure the optimal use of available funding.

As previously stated, the constraints on government funding are currently quite severe and likely to continue into the future.

The community-based services sector has been, and continues to be heavily reliant on government funding. This is even more pronounced for services working with alcohol related issues. Some of the reasons for this situation include limited philanthropic support due to the nature of the problems being addressed. This can be especially so in relation to matters involving alcohol dependence and addiction which are at times incorrectly perceived to be a self-inflicted problem.

This high level of reliance on government funding is often tied to a focus on service delivery and throughput of clients which places enormous pressure on services to find funding for a range of capital improvements. In contrast, the Foundation will significantly increase the capital funding available for community-based services.

The opportunity for governments to utilise the distribution, compliance and evaluation infrastructure of the Foundation also provides a unique opportunity for governments to minimise its own costs in these areas.

A partnership approach between the alcohol industry and the health and welfare sectors will also reduce community pressure on governments to increase taxation and regulation on the alcohol industry and instead provide a collaborative framework through which it can work with all parties.

Key Points:

- A collaborative partner for government.
- Availability of a new significant and sustainable funding stream for not-for-profit services.
- Reduced pressure on increasing funding for alcohol, drug and related services.
- Potential to outsource funding streams to a dedicated drug and alcohol specific distributor.

Benefits to Industry

It is critical for the alcohol industry to clearly and substantially demonstrate the economic and social value it contributes to the community.

The positive economic impact of business is an integral component of all cohesive communities. The responsibility of industry is to be a constructive, trustworthy and respected corporate citizen by having positive effects beyond its economic contributions. This is also a vital part of its success and support within communities. This is particularly the case with the alcohol industry given it also has the potential for adverse health and social impacts within the community.

The Responsibility Foundation will provide an effective avenue needed by the alcohol industry to enhance its reputation and increase its contributions within communities. More than this, it will demonstrate that the industry is committed to achieving positive social change.

A partnership with the Foundation will also provide the alcohol industry with a number of subsidiary benefits. These include being able to refer all requests for funding from services addressing alcohol related issues directly to the Foundation. This referral process will also allow alcohol Industry Partners to defer responsibility to the Foundation to assume the obligation and process of appropriately assessing and monitoring any organisation receiving its funding. The ability to pool funds across the industry will also provide a much bigger impact from the contributions made compared to each corporation or organisation undertaking its own process and distribution of funds. In effect the Foundation provides far greater

financial and social capital return on investment.

While it is not a function or role of the Foundation, it is likely that the collaborative partnership between the alcohol industry and community-based services will attract a high level of public and government support. This in turn is likely to reduce political and community pressure for a greater level of regulatory and pricing interventions on the industry.

As a partner, you will have substantive input and recognition regarding the contributions you make. This will be far greater than could be expected from equivalent excise increases imposed by governments.

Key Points:

- Increasing positive standing in the community.
- Strengthening partnerships within the community by providing real social value to the community.
- Ability to refer requests for funding from not-for-profit services in this sector.
- An independent foundation to take responsibility for potential risks and associated adverse publicity as a result of inappropriate actions of funded organisations.
- Advantage of contributing towards a sector wide funding pool.

FOUNDATION ADVISORS



Kerry Graham

Director, Collaboration for Impact

Ms Graham has worked in social change for over 20 years. Ms Graham has held executive roles in national non-profit organisations (Inspire Foundation CEO; Good Beginnings Australia COO), and advised governments on social policy. Ms Graham holds qualifications in public policy, law, social work and community management.

As the Director of Collaboration for Impact – Australia’s leading organisation for learning how to respond to complex problems through effective collaboration, Ms Graham advises communities, corporations and governments on collaboration and innovation in social change.

Ms Graham is also a lecturer on collaborative practice with the Centre for Social Impact at University of NSW. her purpose is to evolve the way social change happens in Australia for the benefit of young people.



Kristie Harrison

National Project Coordinator – University of Sydney

Ms Harrison is a Wiradjuri woman born and raised in the Illawarra. Ms Harrison has worked within the Aboriginal community controlled health, drug and alcohol sectors for over 12 years.

Ms Harrison is employed as a PhD candidate/Project officer for NHMRC grant project at the University of Sydney. The project focuses on evidence-based alcohol management within Aboriginal primary health care services.

Previously Ms Harrison worked at the Aboriginal health and Medical Research council of NSW coordinating the Aboriginal drug and Alcohol Network. Ms Harrison has a Bachelor of health science in Indigenous Health and Graduate Certificate in Health Leadership and Management. She has a strong passion for learning and sharing knowledge in the collaborative pursuit of sustainable changes for Aboriginal communities across Australia.



Sarah Hopkins

Chair, Just Reinvest NSW and

Managing Solicitor of Justice Projects at the Aboriginal Legal Service ACT/NSW

Ms Hopkins is an accredited specialist in criminal law and has lectured in criminal law at the University of NSW. Ms Hopkins has been working with the community in the central West NSW town of Bourke since 2012 and is Project director of the Maranguka Justice Reinvestment Project in Bourke, which was the recipient of the 2015 National Rural law and Justice Award.

Ms Hopkins has served on the Criminal Law Committee of the Law society of NSW and as vice President of the NSW council for civil liberties. In 2015 Ms Hopkins was a member of the steering committee for the Red Cross Vulnerability Report.



Hugh MacNally B.A., ASIA, F Fin, OPM (Harvard)

Founder & Director, Private Portfolio Managers (PPM)

Mr MacNally has been a full time executive of PPM since 1995 and is responsible for management of portfolios and the analysis of investment opportunities.

Prior to founding PPM, Mr MacNally was the Investment Manager at Permanent Trustee company, where he had responsibility for the management of a large number of portfolios on behalf of estates, individuals and charities, totaling \$900 million.

Prior to joining Permanent Trustees, Mr MacNally was an analyst and later investment manager at APA Assurance covering Australian and New Zealand equities. Mr MacNally commenced his career in 1984 and has completed the OPM management course at Harvard Business School.



Matt McGrath

Chief Marketing Officer, Deloitte

Mr McGrath has spent over 25 years as one of Australia's leading advertising, digital media and communications practitioners. He has worked for some of Australia's leading advertising agencies as a Creative Director, Managing Director, CEO and Chairman. Internationally he served on the Global Creative Board and Global Management Boards of Young and Rubicam, one of the world's largest international advertising networks. In 2000 Mr McGrath was voted one of Australia's top 10 Creative Directors by Campaign Brief Australasia. In 2007 he was voted by the Australian Financial Review one of Australia's 50 Most Influential Media Executives. He has also received two Grand Prix Awards at the Cannes International Advertising Festivals. Mr McGrath has most recently worked with the Network Ten CEO and Board.



Scott Wilson

CEO of the Aboriginal Drug and Alcohol Council (SA) (ADAC).

Mr Wilson is the CEO of the Aboriginal Drug and Alcohol Council (SA) (ADAC). ADAC is the only Indigenous Organisation of its kind in Australia, and is based in Adelaide.

Mr Wilson's experience in the areas of substance use, misuse and abuse has seen him on nearly every major governmental and non-government committee in Australia over the past 20 years. For example, Mr Wilson was a Prime Ministerial appointment for nine years on the Australian National Council on Drugs that had a variety of roles including a member of the Executive for seven years. He was appointed by the Prime Minister, onto the AERF Board in 2001 until 2012 and was Co-Deputy Chair of the National Indigenous Drug and Alcohol Committee since it was first formed in early 2004 until 2014.

CRUNCHING THE NUMBERS

Foundation Revenue

The Responsibility Foundation is offering a ground breaking method of supporting services via the redistribution of funding provided by the alcohol industry from a voluntary contribution that is equivalent to a minimum 0.5% of alcohol sales revenue.

The minimum level of the voluntary contribution on alcohol sales has been determined to be 0.5% (half of one (1) percent) in order to make a real and significant difference.

This equates to a contribution of 5 cents for every \$10 of alcohol sales.

Based on an annual retail sales estimate of over \$18 billion in Australia, this is a minimum of \$90 million that should be raised as the contribution from Industry Partners.

While the potential revenue stream to be generated from the contribution based on alcohol sales is dependent on the number of alcohol industry sectors and participants that agree to become Foundation Industry Partners, our goal is to reach a minimum of \$50 million per annum in the first three years of operation.

Alcohol Industry Partners would voluntarily agree to remit their contribution to the Foundation. The distribution of these funds would then occur by agreed protocols and selection criteria.

The funds provided by industry could be generated via:

- existing profits;
- An increase of 0.5% being added to the price of the alcohol at point of purchase; or
- A combination of both a partial price increase and profit contribution to make up the voluntary contribution equivalent of a minimum 0.5% of sales revenue.

The method and timing of the remittance of the voluntary contribution for an Industry Partner will be provided by an Industry Partnership agreement with the Foundation. These agreements will be individually negotiated, so the most efficient method can be undertaken by individual Industry Partners.

The Foundation seeks to minimise operational costs, so it can maximise the distribution of funds to services. Accordingly, it is the goal of the Foundation to limit its operational costs to a maximum of 15% of Industry Partner contributions on average over the first three years of its operation. This is a goal that is expected to be maintained or bettered after the establishment period of operation.

It should be noted that this operational cost goal does not include any contributions that may be provided by governments or other parties specifically for the establishment and ongoing operational costs of the Foundation.

Potential Impact of Contribution on Consumers

The potential impact on consumers, based on an increase of 0.5% being included on the price of the alcohol product at point of purchase, is equivalent to \$0.05 for every \$10 of sales, provides the following revenue:

Based on a levy included on every sale of alcohol valued at \$0.05 for every \$10 of sales the following revenue is expected:

- \$0.05 from every \$10
- \$0.50 from every \$100
- \$5 from every \$1,000
- \$50 from every \$10,000

As can be seen, the impact on consumers is minimal on an individual basis, although collectively it will provide a significant level of funding for non-government and not-for-profit services.

Potential Impact of Contribution on Industry Partners

The level of financial impact on the Industry Partner is one that is determined by the Industry Partner. As highlighted earlier, the level of contribution can be met fully or partially by consumers or Industry Partners.

As a result, the potential financial benefits and costs may vary for individual Industry Partners. It is however expected that Industry Partners will be able to gain a significant level of both tangible and intangible benefits from their partnership with the Foundation.



“Everyone understands the harm caused in our communities from alcohol misuse. The Responsibility Foundation provides the perfect opportunity to help community based services have access to enhanced levels of funding and supporting in order to better assist people across Australia.” We Help Ourselves

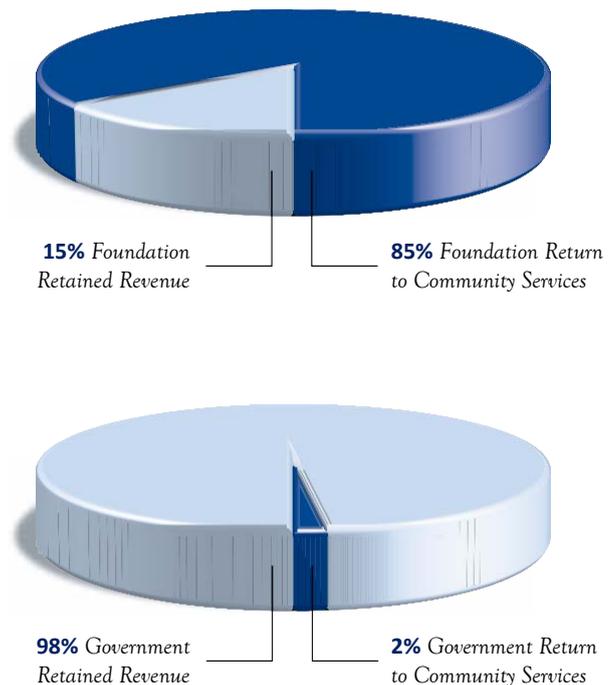
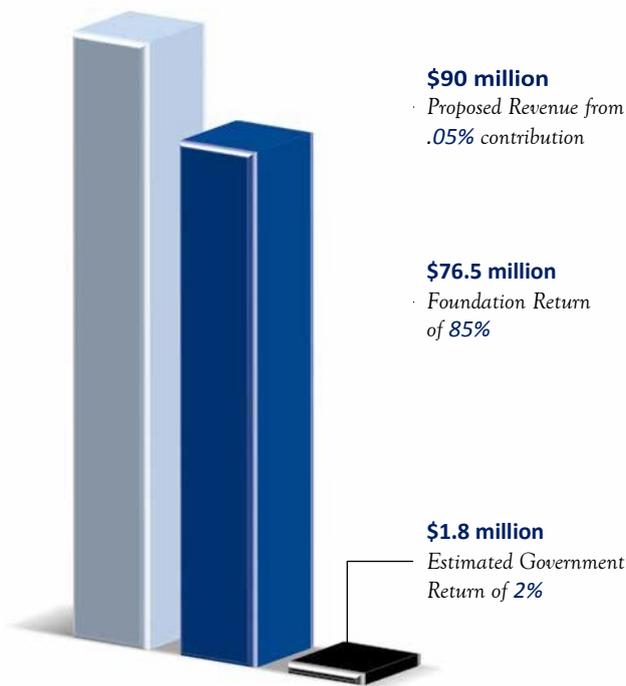
FOUNDATION IMPACT

The Responsibility Foundation will develop a number of selection protocols and processes, as well as compliance management structures and metrics to measure effectiveness, to ensure that the funding it receives from its Industry Partners makes the best and most positive impact possible in the community.

A 0.5% increase in alcohol sales tax would raise an estimated \$90 million per year.

Currently, the government return to community-based services to address drug and alcohol problems is around 2% of the \$6 billion raised in revenue from the excise on alcohol.¹

Based on this current allocation formula, that would mean a return of \$1.8 million per year by government for an additional \$90 million collected compared to \$76.5 million per year by the Foundation.



¹ *New Horizons: The review of alcohol and other drug treatment services in Australia Final Report July, 2014 – Drug Policy Modelling Program National Drug and Alcohol Research Centre UNSW*

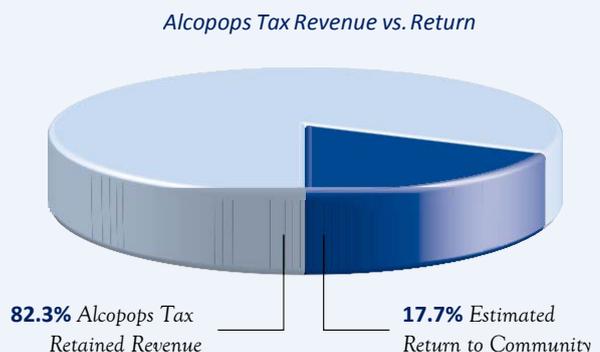
The 2008 Alcopop Tax: a Case Study

An analysis of the Federal Budget papers prepared by the University of Queensland reveals that Australians paid \$4.5 billion in alcopops taxes between 2008/09 and 2013/14.

This revenue was used to provide funding for a National Binge drinking strategy (now finished) and the establishment of the Australian National Preventive health Agency (now disbanded).

The National Binge drinking strategy was allocated just over \$100 million in total from the \$4.5 billion raised in alcopops taxes while the Australian National Preventive health Agency was allocated hundreds of millions of dollars before it was disbanded. As a result, the impact of these measures was limited.

The case demonstrates the need for greater accountability and the importance of addressing the current inadequate funding situation facing far too many community-based services organisations.



RISK MANAGEMENT

As described earlier, the current environment for the alcohol industry presents a number of challenges and opportunities, each of which carry their own risk.

For example, the continuing debate on the impact of alcohol in our society and the alternatives available for its regulation and control all present significant challenges and risks for the industry.

The industry is faced with the option to resist change or to embrace change.

The Responsibility Foundation provides a way for the alcohol industry to embrace and take some control of change. It allows the industry to demonstrate to the community and governments, as well as the health and welfare sectors, that it is an industry that wants to have a positive impact on the lives of people in the community.

One of the most significant and tangible risks facing the alcohol industry is that it is perceived to be an industry that lacks any real care or empathy for the communities within which it operates; a virtual outsider in its own community, or worse, a community member more concerned with profit than people.

A number of research papers and public opinion polls regularly show high levels of public support for some component of alcohol related revenue to be allocated to assisting community services. As demonstrated on page 15 optimising the amount of any such funding made available to community services, as well as securing the maximum support of the public and the industry, is best achieved via the Responsibility Foundation. The Foundation is the vehicle for the community to transparently see the direct funding of community services from alcohol related revenue. It is also the vehicle for industry to be recognised as an important partner in those benefits being directly provided.

It must however be clearly understood that the Responsibility Foundation is unable to operate without the support of the alcohol industry.

It should also be clearly understood that the acceptance of the status quo of a combative model with the health, welfare and community sectors brings a number of potential tangible and intangible risks to the industry. Some recent examples of the risk incurred by industries that are not willing to be a part of the change demanded by communities and governments include:

- **An annual increase in tobacco excise of 12.5% until to 2020 was announced in the 2016 Australian Federal Budget**
and
- **A new sugar tax on the soft drinks industry was introduced in the 2016 UK Budget by the Chancellor of the Exchequer**

Becoming an Industry Partner of the Foundation will not mean that such pressures abate. It will however provide the best opportunity for the alcohol industry to change its fundamental relationship with the community on alcohol, including their perception of how the alcohol industry takes responsibility for the consequences of alcohol misuse. The Foundation also provides the unique opportunity for the industry to engage collaboratively and positively with key stakeholders in the community.

Foundation Structure

Legal Structure

The Responsibility Foundation is a trademarked name and a registered charity with the Australian charities and Not-for-profits commission (ACNC) and is a legally incorporated company.

The Foundation is currently seeking DGR (gift deductibility) status with the Australian Government and this is expected to be completed in the near future.

Organisational Structure

Foundation Board

The Responsibility Foundation has a small but dedicated number of directors to plan, oversee and manage the implementation of the Foundation's vision, role and objectives. Its operations are based on an agreed business plan for today and the future.

See *Foundation Board Members* on pages 17-18 for further information.

Foundation Advisors

The Responsibility Foundation is served with some of the best advice available from a group of people that are experts in their field, in a range of issues related to the work and objectives of the Foundation. All our advisors have recognised a time for change and embraced the Foundation's innovative model. These experts will provide the best advice available related to the objectives and work of the Foundation.

See *Foundation Advisors* on pages 11-12 for further information.

Foundation Partners

The Responsibility Foundation is legally represented by Gilbert+Tobin and its auditors are Deloitte Australia. In addition, financial advice is provided by Private Portfolio Managers and marketing advice by OgilvyCommonwealth.

See *Foundation Partners* on page 19 for further information.

FOUNDATION PROPOSAL

Committees

The Responsibility Foundation will establish a number of committees to oversee the work of the Foundation. These will include:

- selection committee
- compliance committee
- Finance committee
- community development committee
- Industry Partner committee
- Monitoring & evaluation committee

Industry Partners

The Responsibility Foundation offers the opportunity for any alcohol industry corporation or organisation to become an Industry Partner of the Foundation.

The benefits of becoming an Industry Partner are outlined on page 10 and further details on Industry Partner requirements are outlined in Foundation Revenue on page 13.

Staffing & Administration

The Responsibility Foundation's Business Plan (available upon request) outlines the necessary staffing structure and operational budget required by the Foundation to operate effectively. As identified in Foundation Revenue on page 13 it is the goal of the Foundation to limit its operational costs to a maximum of 15% of Industry Partner contributions on average over the first 3 years of its operation.

Our proposal is simple and straightforward

The Responsibility Foundation is offering the alcohol industry a unique and ground breaking opportunity to fulfil its Corporate Social Responsibility (CSR) obligations by joining the Foundation as an Industry Partner.

As an Industry Partner you will agree to provide a voluntary funding contribution to the Foundation based upon an agreed percentage of sales.

The Foundation will then provide these funds to front line not-for-profit services, dedicated to reducing the harms caused by alcohol misuse.

The Foundation is inviting every alcohol industry corporation and organisation to become an Industry Partner of the Foundation, so together we can make a real and sustained improvement to the lives of a significant number of people in communities across Australia.

Please contact us to discuss your partnership, so we can arrange a meeting with our Industry Partner negotiation team.



FOUNDATION MEMBERS



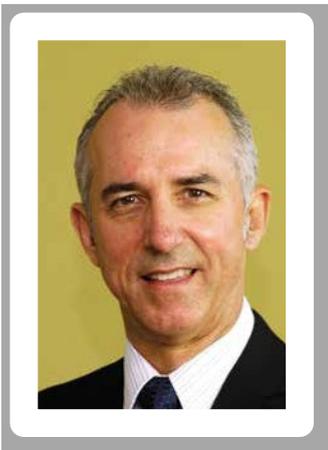
Gino Vumbaca BSW MBA MAICD

Chair, Responsibility Foundation

Mr Vumbaca has extensive experience in the HIV/Aids and drug and alcohol fields both in Australia and internationally. He is a Churchill Fellow, and has completed a social Work degree and a Master of Business Administration at the University of Sydney and is a qualified company director.

Mr Vumbaca is the former Executive Director of the Australian National council on drugs – a position he held for over 15 years – and which provided advice directly to the offices of the previous four Australian Prime Ministers (The hon John Howard, The hon Kevin Rudd, The hon Julia Gillard and The hon Tony Abbott) as well as numerous Ministers and senior officials. Previously he worked as the Manager HIV/Aids and related services with the NSW department of corrective services, in a variety of drug and alcohol centres as a counsellor and after being a part of the team that established the first needle and syringe program in Australia, was responsible for coordinating the establishment of the NSW network of needle and syringe exchange programs for the NSW health department.

Mr Vumbaca now operates his own consultancy business but also continues to provide advice on prisons, HIV/Aids and drug issues to international organisations such as the United Nations & World health organisation, and he is the President of Harm Reduction Australia, Treasurer of Justice Reinvestment NSW, a Board Member of OFAP Macau and President of the largest non-government drug and alcohol organisation in Macau – ARTM. He also writes extensively on public policy for major media outlets.



John McGee

Board Member, Responsibility Foundation

Mr McGee has worked in the hospitality/entertainment industry for over 20 years, including for some of Sydney's largest clubs and most iconic sporting and cultural venues. He is currently the director/owner of a Sydney-based entertainment & events consultancy business.

Mr McGee's qualifications in Marketing, Hospitality and Training & Assessment, together with his hands-on approach, provide him with an intimate knowledge of the sector and in particular, customer demographics and behaviour, venue/customer interaction, event management, live entertainment and sales. He is an industry professional whose grass roots experience and knowledge brings valuable insight and expertise to the Foundation.



Patrick McLoughlin Grad Dip Bldg Surv

Board Member, Responsibility Foundation

Mr McLoughlin has worked in a variety of sectors and industries from manufacturing and mechanical engineering to Local Government in both Australia and overseas. Mr McLoughlin is currently employed as a Building Surveyor and has over 16 years' experience working in the Local Government environment which has given him an intimate knowledge of the workings of this sector.

He received his Post Graduate Diploma in Building surveying from the University of Western Sydney and has successfully completed studies in other building related disciplines from the University of Technology Sydney. Mr McLoughlin provides the Foundation with a wealth of knowledge on infrastructure and local regional issues.



Paul O'Brien BComm CPA

Board Member, Responsibility Foundation

Mr O'Brien has extensive experience in financial and company management, having worked for numerous multinational organisations both overseas and in Australia. He completed his Accounting Degree at the University of New South Wales, and is a qualified accountant and member of CPA Australia.

Mr O'Brien is currently the chief Financial officer for the credit & Investments ombudsman (CIO). The CIO is a not-for-profit, member funded external dispute resolution scheme that provides free assistance to consumers who have a complaint against a financial service provider member of CIO. His experience working with international organisations in the highly competitive business arena brings valuable insight and expertise to the Foundation.



Michael Tanner CertCert

Board Member, Responsibility Foundation

Mr Tanner has extensive experience in policy and research in the areas of Transportation and demographics across New South Wales (NSW) and Australia. His knowledge and expertise has been and continues to be sought by a wide range of stakeholders such as the NSW Ministers for Transport and health and a number of chairs of Non-Government organisations. Mr Tanner is a passionate supporter for social equity and uses his influence and analytical skills to provide evidence to support closing the gap in transport poverty.

Mr Tanner brings innovative thinking and in depth knowledge of analytics to the Foundation, as well as an invaluable knowledge of state Government operations.

FOUNDATION PAST PATRONS

We honour the outstanding contributions to the Australian community from our inaugural and much admired and respected past patron of the Foundation – the Hon Dr John Herron. His support was critical in the formation of the Foundation and will be an enduring legacy to his lifetime of work to improve the health and well-being of all Australians.



Dr John Herron A.O. M.B.B.S(QLD) FRCS, FRCSE, FR ACS

Patron, Responsibility Foundation

Served as chairman of the Australian National Council on Drugs from 2006 to 2014, following his return from his appointments as Ambassador to Ireland and the Holy See (2002-2006).

Dr Herron was a senator in the Parliament of Australia representing the state of Queensland (1990-2002), and was Minister for Aboriginal and Torres Strait Islander Affairs (1996-2001).

Prior to entering Parliament, he was a general surgeon for thirty years and during this time he occupied the positions of President of the Australian Medical Association, chairman of the Australasian College of Surgeons and chairman of the Australian Association of Surgeons of his state. He was twice President of the Liberal Party of Australia (Queensland division); from 1980-1983 and from 2000-2002.

Outside his surgical and political careers, Dr Herron was an officer in the Royal Australian Army Medical Corps and a squadron leader in the Royal Australian Air Force. He has been awarded the Bancroft Medal of the Australian Medical Association (Queensland); the Justin Fleming Medal of the Australian Association of Surgeons; and a citation by the Royal Australasian College of Surgeons; the Humanitarian Overseas Medal for his service as a Care Australia Medical Officer during the Rwandan crisis; and the Australian Service Medal.

Dr Herron is a Knight Commander of the Holy Sepulcher of Jerusalem and a Papal Knight of St. Gregory. He and his wife Jan have six daughters, and three sons.

FOUNDATION PARTNERS

Deloitte. Deloitte

Deloitte is one of the world's largest professional services networks and Deloitte Australia makes an impact that matters in the community through corporate social responsibility as well as through the professional services delivered by the firm. A winner of the Australian Auditor of the year and Accounting Firm of the year awards, Deloitte Australia has committed to take on the role of independent auditor and advisor to the Responsibility Foundation.



Gilbert + Tobin

Gilbert + Tobin has always had a long-standing commitment to promoting social justice and supporting many of the organisations involved in bettering the lives of Australian people. We are pleased to be involved in the establishment of the Responsibility Foundation and its ongoing efforts to provide substantial assistance to not-for-profit organisations addressing alcohol related harms. The Foundation's ground-breaking approach with the alcohol industry will significantly benefit many individuals, families and communities.



Ogilvy CommonHealth

As a community of specialists in health behaviour change, Ogilvy Commonhealth puts people at the heart of everything that they do. Working closely with their clients to gain powerful insights about their brands, customers and commercial landscape, they deliver communication programs and initiatives that do more than create interest; they shape solutions that open people's minds to better health decisions.

Ogilvy Commonhealth's unique team based in Australia delivers unrivalled communication solutions that are scientifically grounded and creatively driven.



Private Portfolio Managers

Private Portfolio Managers Pty limited (PPM) is a boutique investment manager founded in 1995. Our aim is to deliver returns by taking a long term and thematic approach to investment whilst maintaining a strong focus on capital preservation.

Our services are offered to individuals, family offices, institutions and not-for-profit organisations (charities, schools, associations) who have a minimum of \$500,000 to invest.

We manage individual portfolios in Australian and International equities incorporating the specific tax considerations, risk appetite and income requirements of each client.

PPM utilises an Individually Managed Account (IMA) structure that enables our investment management services to be tailored to meet the specific requirements of each client. By working with each client and their advisors, PPM is able to customise each client's portfolio to suit their individual tax, income and investment requirements. This tailoring can include the specific inclusion or exclusion of individual companies, market segments or industries.



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- *Mr David Crosbie*
- *Private Portfolio Managers*
- *Credit & Investments Ombudsman*
- *3V Consulting Services*
- *Eventerprise Management*
- *The Foundation Advisors*
- *The Foundation Partners*



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