

AB InBev Investor Seminar

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Linda Qian, People VP APAC

Good morning everyone,

Before I begin my presentation, let me introduce myself. I am Linda Qian, the People VP of APAC. I joined the company in 2007. Before joined ABI, I had 10 years of work experience in the pharmaceutical industry and 4 years of work experience at Coca Cola. I was promoted to my current position in 2010 after a few different roles. Being a native Chinese, I am very proud to be a member of the APAC Mancom team. Today, it is my honor to share with you how we build the people pipeline in realizing our dream in APAC.

As Michel present yesterday, the people pipeline is one of the key components of our APAC strategy. We know that people are our greatest asset. The dream for the People team is to build a strong people pipeline to enable sustainable top line growth. Our focus is not only on recruiting, but also developing and retaining the most talented people for growing our business.

We began expanding our combined business in APAC in 2010. On top of organic growth, we have also had M&A and the subsequent integrations. Two years ago, nearly all of APAC's business was based in China. Nowadays, the APAC workforce is comprised of 29,000 people in 8 different countries and territories where 6 languages are spoken.

This company is formed with engaged people who have been successful in confronting challenges and realizing our dream. We have a number of important KPIs. For example, turnover rate. In APAC, our turnover rate has been within an acceptable range every year since 2010. With the implementation of the right retention strategy, in 2014, our turnover rate was below 10%, versus the average range of 20 to 25% in the FMCG industry.

Another important KPI is the engagement score, which is generated from an anonymous survey regarding employees' points of view about line manager leadership, communication, targets, career and learning development and principles. We have improved APAC engagement results each year. Having reached 88% in 2014, we become the No 1 zone in ABI. Externally, we were selected as the No. 1 in Great Place to Work in a video contest for the past two years and were recognized in the top 100 "BEST Human Resources Management Companies" in China for the past five years.

We are a company that attracts and retains talent. The objective of the Global Talent Attraction Programs (Global Management Trainee Program (GMT) and the Global MBA Program (GMBA)) is to hire high potential talents at entry and mid-management level, and then develop and prepare them for senior leadership positions. We have a standardized our approach to the attraction, selection and development of these talents. Every year, we select a number of graduates from top universities and business schools - not only in China but also overseas. Our company's continuous growth enables us to attract the best talent in the market by providing them with faster and better career opportunities and a great platform to unleash their potential.

We are a company that believes in meritocracy. Irrespective of your race, gender or background, we believe in people who have potential to grow. When we have openings, the first thing we do is to review internally rather than trying to find somebody externally. Our internal promotion rate is higher than the market average. We have always chosen to promote people from within rather than hiring from the market.

We are a company which provides a learning platform for people to grow; that platform is our AB InBev APAC University, which was established in 2009. There are six pillars in APAC University, which provide leadership, method and functional learning & development opportunities, to ensure our employees succeed in their careers and achieve results with people and the right skill sets in the right way.

APAC University has delivered trainings to employees all over APAC, in the classroom, through online learning management systems and through mobile platforms, with an engaged team of internal trainers who have contributed a lot to the results.

We have multiple leadership programs to develop our leaders. The company believes in learning by doing rather than classroom training. One very important element is on the job training. We believe in developing people by taking them out of their comfort zone and providing challenging assignments with proper coaching.

By doing this, people learn from the experience and get promotions and rewards based on the results delivered. In this way, our talents can grow faster.

We are a company that develops peoples' problem solving capabilities to identify the gaps, and work out the actions to deliver business results. Problem solving is a fundamental part of the ABI Management System. We define PDCA (Plan, Do, Check, and Act) as a standard methodology in order to reach targets and solve problems. It is used to address challenges every year to improve business results.

Problem solving expertise is trained through the Belt Program. White belt is the basic method and focuses on PDCA application. Green Belt, Black Belt, and Master Black Belt are the higher levels of training. The Belt program is one of the most essential engines for us to grow on a sustainable basis. Our talented people are selected to join the Green Belt and Black Belt trainings and implement projects throughout the year by using belt methodology and problem-solving skills. Our belt programs are bringing sustainability and improvements to our dream.

And with that let me introduce you to the final group of presentations that you will see today: the Best Practices. What is a Best Practice? The Best Practice Series is the Global program designed to generate and share innovative ways to optimize processes, reduce losses, increase revenues, and improve quality and safety. In most cases, it is an output of our Problem Solving initiatives, such as the Green or Black Belt projects.

Best practices came from good practice. The purpose of this series is to have a submission, review, implementation and communication process of Good Practices to encourage the development of the employees' creativity and initiative, enhance employee morale, recognize employees for their contribution to generate business and optimize work efficiency. The Good Practices are supposed to be something simple and easy to implement. Any employee can submit an idea as long as it follows the criteria of continuous improvement or innovation.

Selected good practices are then presented as Best Practices, which could be replicated in all zones if applicable. Every year, APAC reviews more than 200 good practices from our operations, and we select 10 to 12 to be implemented into our operations.

Today I would like to bring some of our talents to the podium to present four best practices to you. They are Global Management Trainees, certified Green Belts and Black Belts. These projects and initiatives have been implemented to support our APAC strategy. Let's start by welcoming Tiger Zong to the stage for the first best practice... Welcome!